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DECODING PAYTM

ANIMAL SPIRITS BY UDAYAN MUKHERJEE

INDIA TODAY GROUP

Business Today

August 22, 2021 ₹100

OC

THE FINFLUENCERS

A BUNCH OF YOUTUBE STARS IS TELLING MILLIONS HOW TO MAKE MONEY IN THE STOCK MARKET AND INVEST SMARTLY

From left: Ankur Warikoo, Pranjal Kamra, Rachana Ranade

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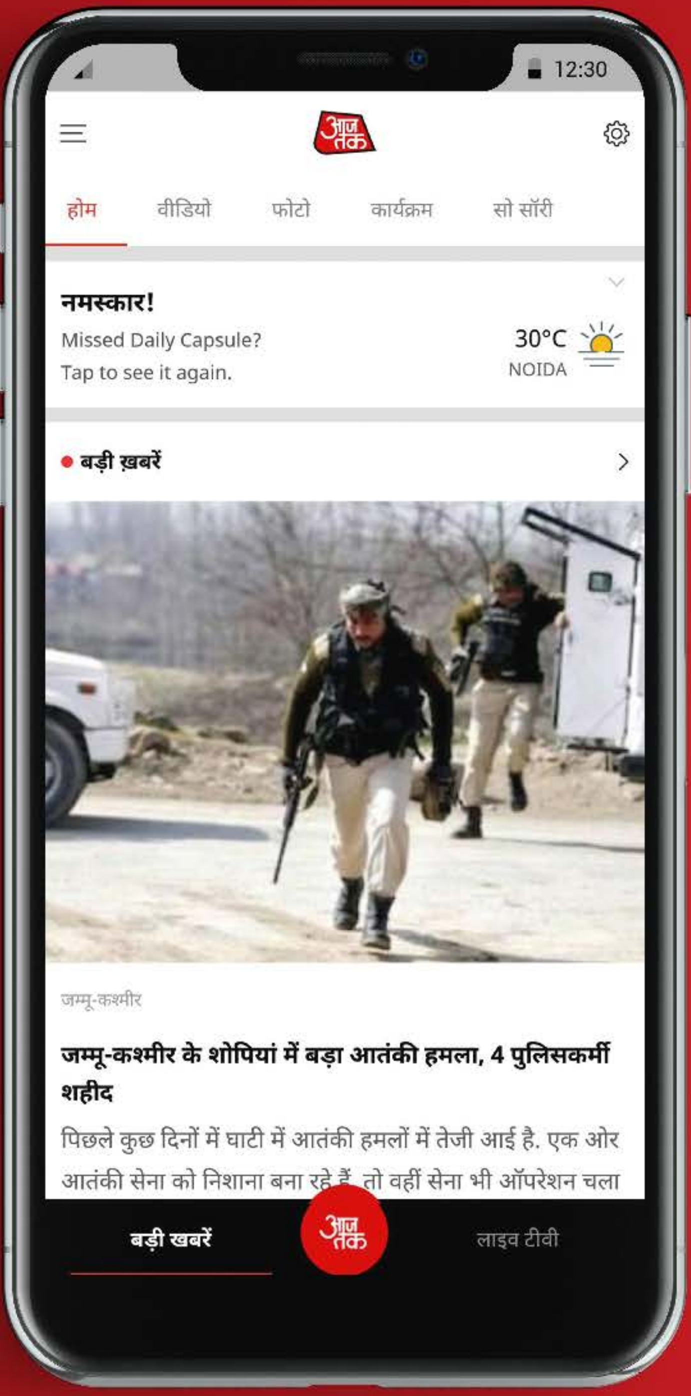

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From the Editor

Financial Advisor on a Screen

Ever since the pandemic hit India, those following the financial markets have often been baffled by the huge disconnect between what is going on in the equity markets, and the devastation caused by Covid-19. The one segment of the economy which has seemingly taken the pandemic in its stride has been the stock markets. After an initial setback in March 2020, when the benchmark S&P BSE Sensex hit its calendar year low of 25,639, the market has been on a roll, hitting its all-time high of 53,291 points in mid-July this year. This runaway rise has led to another phenomenon — the advent of thousands of new investors into the equity markets, hungry for information and advice on how and where to invest. Consider the figures: broking firms saw a million new client accounts being opened every month of the current calendar year. Between FY19 and FY20, the share of retail investors in the overall cash market turnover jumped from 39 per cent to 45 per cent, the sharpest rise ever seen in India's equity markets, and the share has remained at 45 per cent in FY21 as well.

A consequence of this massive growth in the number of new investors is the rise of a bunch of smart, articulate individuals, with YouTube as their preferred medium of communication, who introduce these newbies to the key concepts of investing and the financial markets. And investors are flocking to these financial influencers — popularly known as finfluencers — in droves. These finfluencers aren't only based in the big cities. Some of the most popular ones — with millions of followers — are from the smaller cities and towns. Yet, the ease with which they communicate to the new flock of investors has meant their earnings, from Google and by way of partnerships with several broking firms which use them to reach out to investors, are rising rapidly. It's a win-win — investors get much-needed information and financial advice, broking firms reach potential new clients, and finfluencers make good money. These financial influencers, however, are careful not to give stock tips and tread very carefully when it comes to advice. In fact, some of them are also empanelled with the Securities and Exchange Board of India as Registered Investment Advisors. The central idea, they all agree, is to familiarise the new investor with the basics of financial investments and planning. In the process, they also serve the objective of financial inclusion.

Our cover story by *Ashish Rukhaiyar* takes a close look at this growing phenomenon of finfluencers in India, how they work, why they are popular and the manner in which they impart advice to investors.

On the subject of the markets, do read *Anand Adhikari*'s analysis of Paytm's multiple growth engines in the context of the fintech major's upcoming initial public offer (IPO). We probe whether Paytm's engines will fire hard enough to justify the interest the IPO is already generating in the markets, and the challenges it could face. I am also delighted to announce that well-known financial markets expert and Global Business Editor *Udayan Mukherjee* begins his regular column, Animal Spirits, in this issue. That's on page 14.

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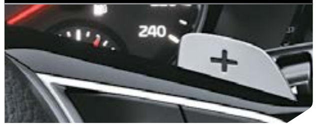

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INNOCEAN-105/21

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The Point

Crypto Craze Surges in India

Cryptocurrencies have been in a regulatory grey zone since March last year when the Supreme Court overturned a trading ban. But that also sent traders flocking to the virtual currency

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Government Tightens Purse Strings Despite Higher Income

The Central Government reported non-debt receipts of ₹3.5 lakh crore for April-May 2021, the highest for the first two months of any fiscal

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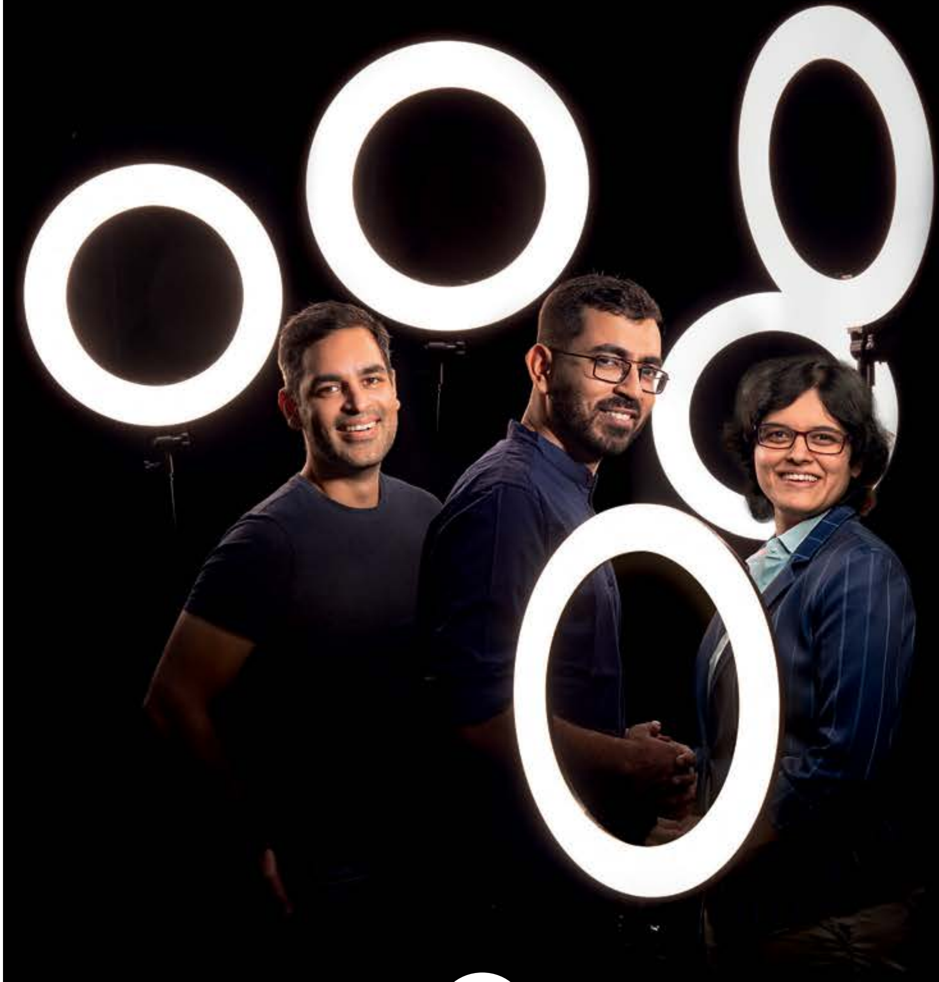

PHOTOGRAPH BY BANDEEP SINGH

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Kalpen Parekh, President of DSP Mutual Fund, which manages assets worth over ₹1 lakh crore, is a movie buff

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Best Advice I Ever Got

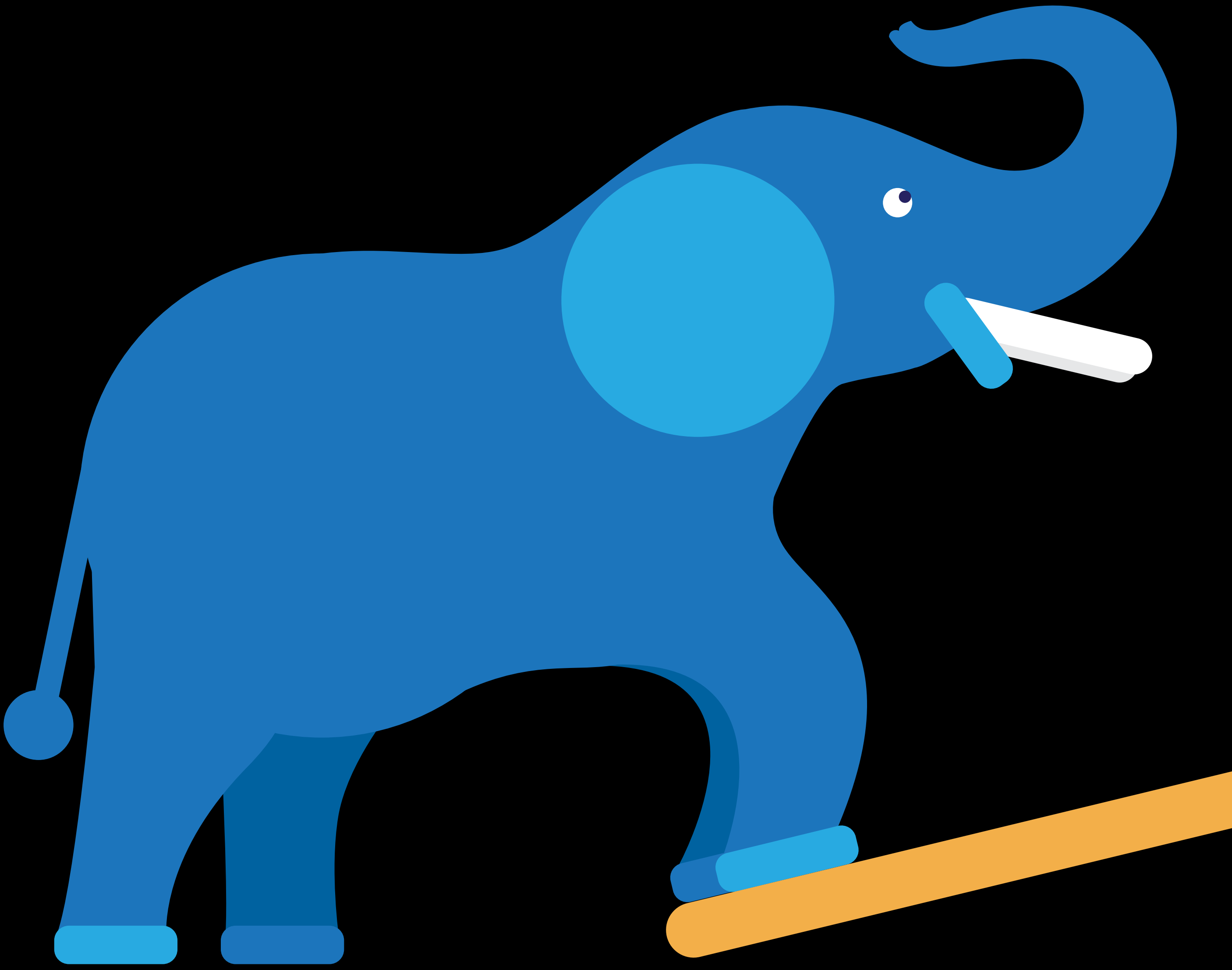
"It is okay to get into unchartered territory and look foolish because that's where the learning starts"

Kulmeet Bawa

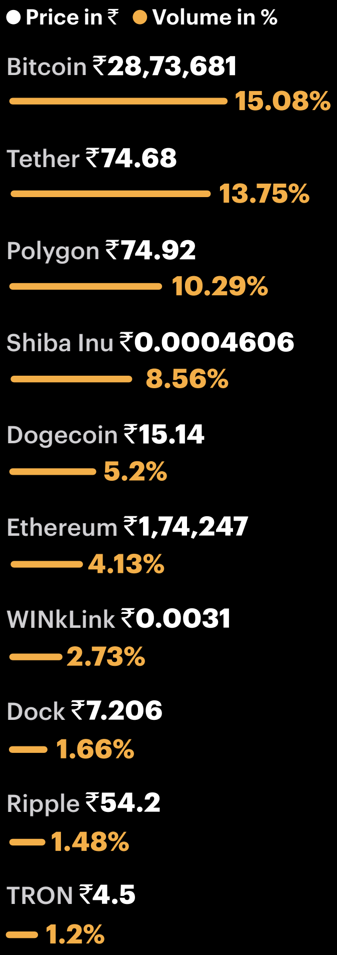
Crypto Craze Surges in India

CRYPTOCURRENCIES HAVE BEEN IN A REGULATORY GREY ZONE SINCE MARCH LAST YEAR WHEN THE SUPREME COURT OVERTURNED A TRADING BAN. BUT THAT ALSO SENT TRADERS FLOCKING TO THE VIRTUAL CURRENCY

By **SHIVANI SHARMA** | Graphics by **TANMOY CHAKRABORTY**



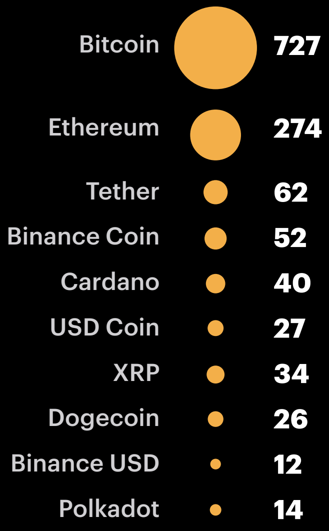
BITCOIN IS THE MOST POPULAR CRYPTOCURRENCY IN INDIA



As on July 30, 2021

GLOBAL MARKET CAP OF CRYPTOCURRENCIES

($ Billion)



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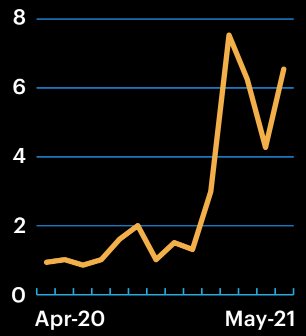
CRYPTO INVESTMENTS SURGED IN INDIA AFTER A BAN WAS LIFTED BY THE SUPREME COURT

($ Billion)



340

NUMBER OF CRYPTO STARTUPS IN INDIA

$500

MILLION

DAILY CRYPTO TRADING VOLUME IN INDIA

₹28.73

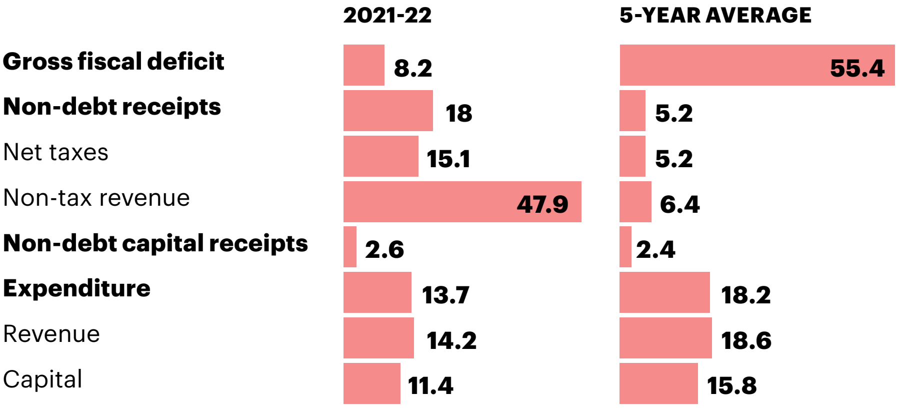
LAKH

PRICE OF 1 BITCOIN

612%

Surge in total crypto investment in India from April 2020 to May 2021

Government Tightens Purse Strings Despite Higher Income



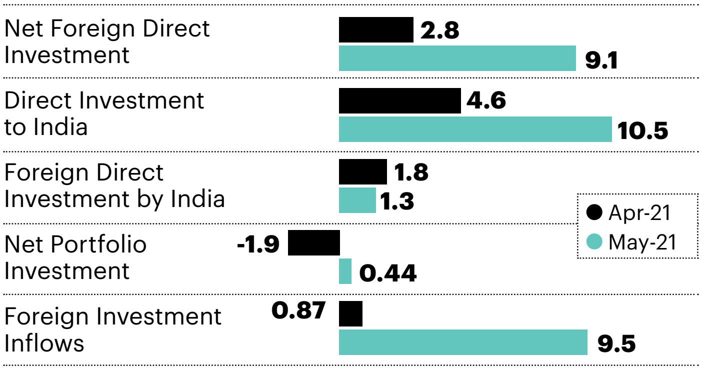
% of budgeted expenditure upto May 2021; Source: Finance Ministry

↘ The Central Government reported non-debt receipts of ₹3.5 lakh crore for April-May 2021, the highest for the first two months of any fiscal

↘ These accounted for a higher-than-average 18 per cent of the government's target for the fiscal. The sharp rise was due to the RBI transferring its dividend earlier than usual

↘ Tax collections remained stronger than normal across the board. Still, the government spent 13.7 per cent of its annual budgeted expenditure in April-May, less than the five-year average of 18.2 per cent

FOREIGN INVESTMENT INFLOWS SURGE ELEVEN-FOLD IN MAY



In $ billion; Source: RBI

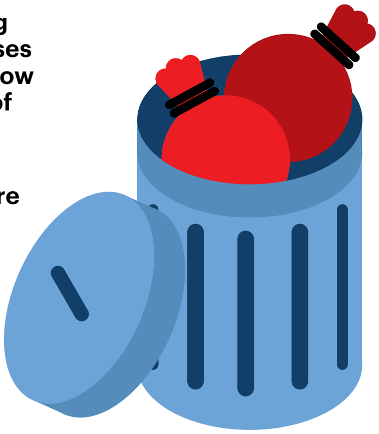
↘ India recorded net foreign investment inflows of $9.5 billion in May 2021, blowing past the net inflows of $870 million in April

↘ Net inflows of foreign direct investment more than tripled to $9.1 billion, from $2.8 billion in April

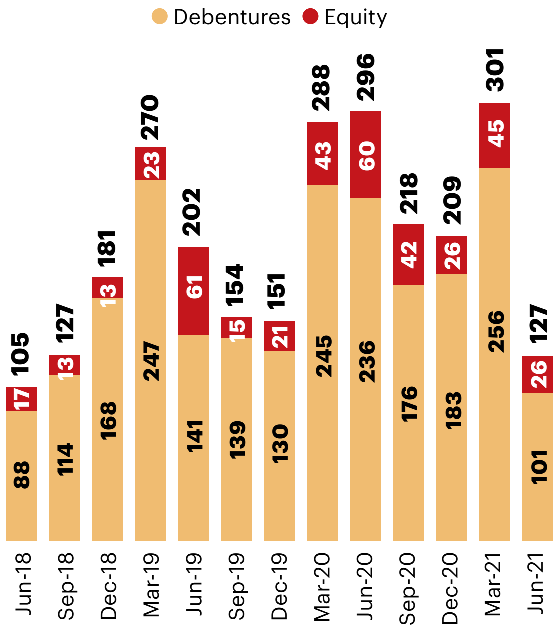
↘ Foreign portfolio investments recorded net inflows of $447 million, reversing course from net outflows of nearly $1.9 billion in April

DEMAND FOR FUNDS DROPS TO THREE-YEAR LOW

- Long-term fund-raising by non-banking enterprises dropped to a three-year low of ₹1.27 lakh crore in Q1 of FY22
- Their fund-raising had stayed above ₹2 lakh crore for the past five quarters and topped ₹3 lakh crore in the previous quarter
- In the latest quarter, ₹25,790 crore, or roughly 20 per cent of the total, was raised against fresh equity



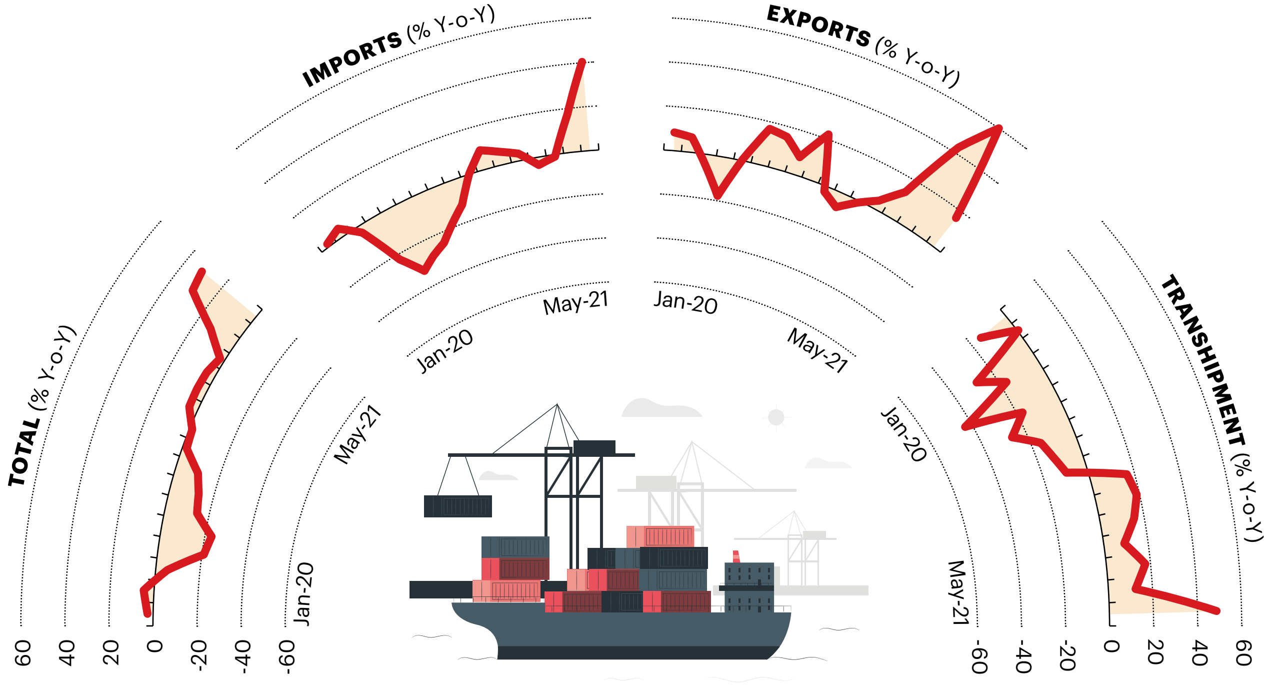
PRIMARY MARKET FUND MOBILISATION BY NON-BANKING COMPANIES (₹000 Cr)



Numbers rounded off; Source: RBI

Port Cargo Traffic Continues its Strong Recovery

- Cargo traffic at India's major ports rose 31.5 per cent year-over-year to 59.8 million tonnes in May 2021, increasing for the seventh month in a row
- That is higher than the 29.5 per cent rise in April and a reversal from the pandemic-driven 23.2 per cent tumble in May 2020
- Import traffic rose 40.5 per cent, transhipments 48.8 per cent and export traffic 16.3 per cent

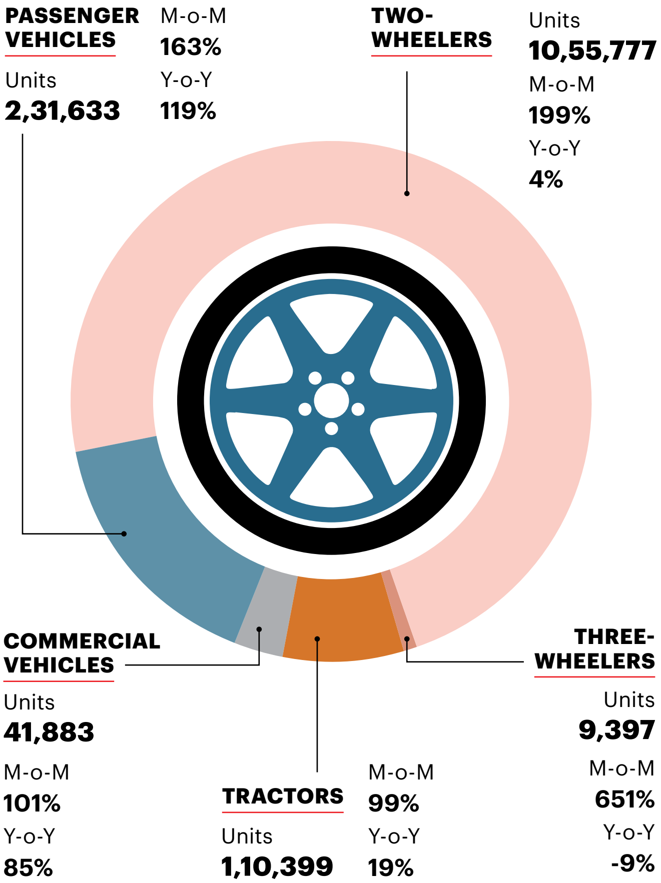


Source: Ministry of Ports

Automobile Sales Pick up Speed...

- Automobile sales to dealerships staged a recovery in June, led by passenger vehicles, due to easing of lockdown restrictions in various states as India exits the second Covid-19 wave
- Automakers sold 2,31,633 passenger vehicles, a jump of 163 per cent over May and 119 per cent over June 2020
- On a sequential basis, two-wheeler volumes tripled in June, while they doubled for tractors as well as commercial vehicles, and grew nearly 7.5 times for three-wheelers

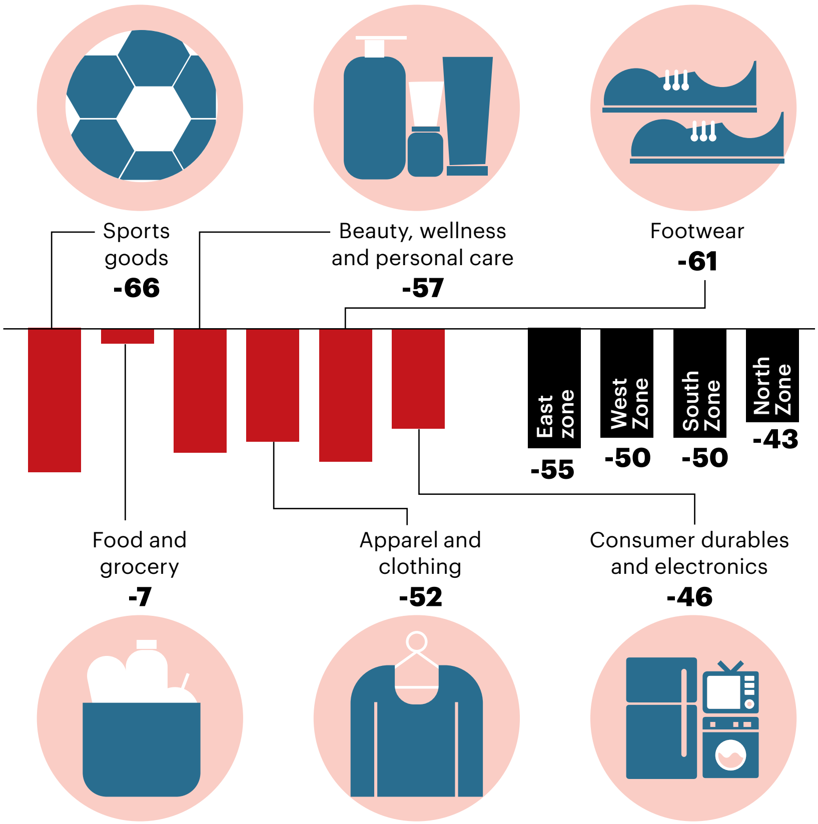
Sequential numbers compared to May;
Source: SIAM



...BUT RETAIL SALES MILES OFF NORMAL

- Retail sales in India tumbled 50 per cent in June 2021, compared to June 2019, a year before the pandemic, according to the Retailers Association of India
- The industry body's latest survey showed a steep drop in all major discretionary categories, with the biggest being a 66 per cent slide in sports goods
- Even the food and grocery category saw a 7 per cent drop, though it was the only category to notch a single-digit decline
- The declines were more or less equal nation-wide, spread between the North zone's 43 per cent drop and the East's 55 per cent fall

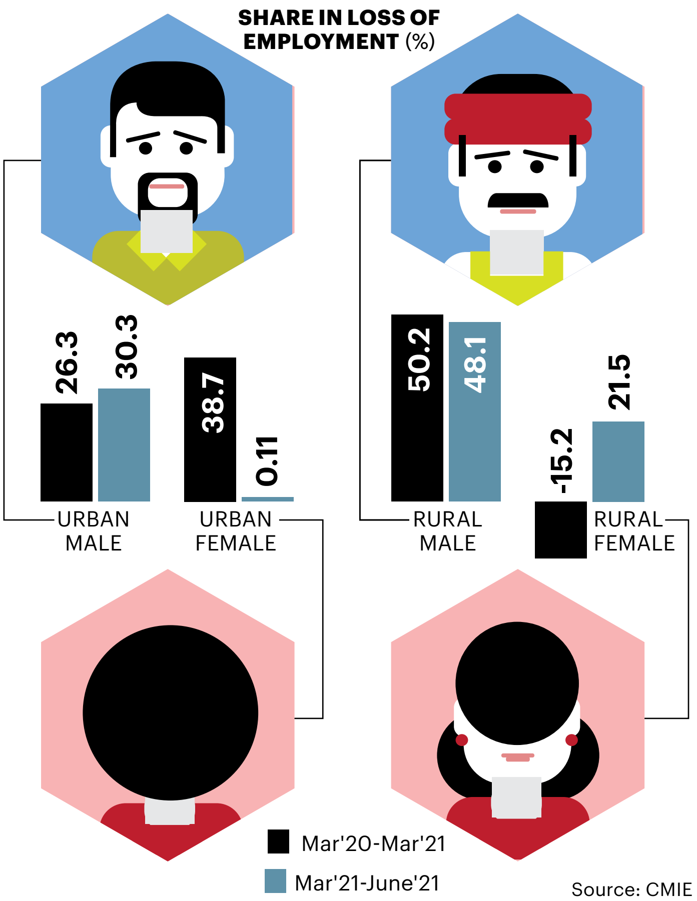
RETAIL SALES (June '21 vs June '19 % change)



Source: Retailers Association of India

URBAN MEN LOST MORE JOBS IN THE SECOND WAVE, MEANING ...

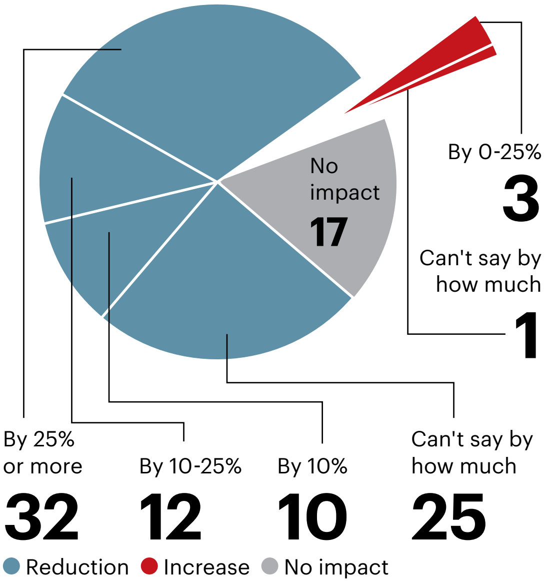
- **Urban men lost the most jobs during the second wave of Covid-19, while urban women suffered the least, a reversal of the trend seen in the first wave**
- **Urban men, who hold about 28 per cent of total jobs, accounted for 26.3 per cent of job losses between March 2020 and March 2021. This went up to 30.3 per cent in the March-June 2021 period**
- **Urban women, who account for about 3 per cent jobs, had accounted for 38.7 per cent job losses in the first wave. This fell to 0.11 per cent in the 2nd wave**



Source: CMIE

...MORE THAN 3 IN 4 INDIANS BRACE FOR PAY CUT

- **Rising prices of fuel and essential commodities amidst the Covid-19 pandemic have hit people's finances, according to a LocalCircles survey of 70,500 consumers in 382 districts**
- **About 79 per cent foresee a decline in their household income this financial year, while a mere 4 per cent expect an increase; the rest see no impact**



Figures in %; Source: LocalCircles

Mind the Gap

THE WAY CAPITALISM TACKLES THE UNHEALTHY TREND OF WEALTH CONCENTRATION, MADE WORSE BY THE PANDEMIC, WILL DECIDE ITS FUTURE

BY UDAYAN MUKHERJEE

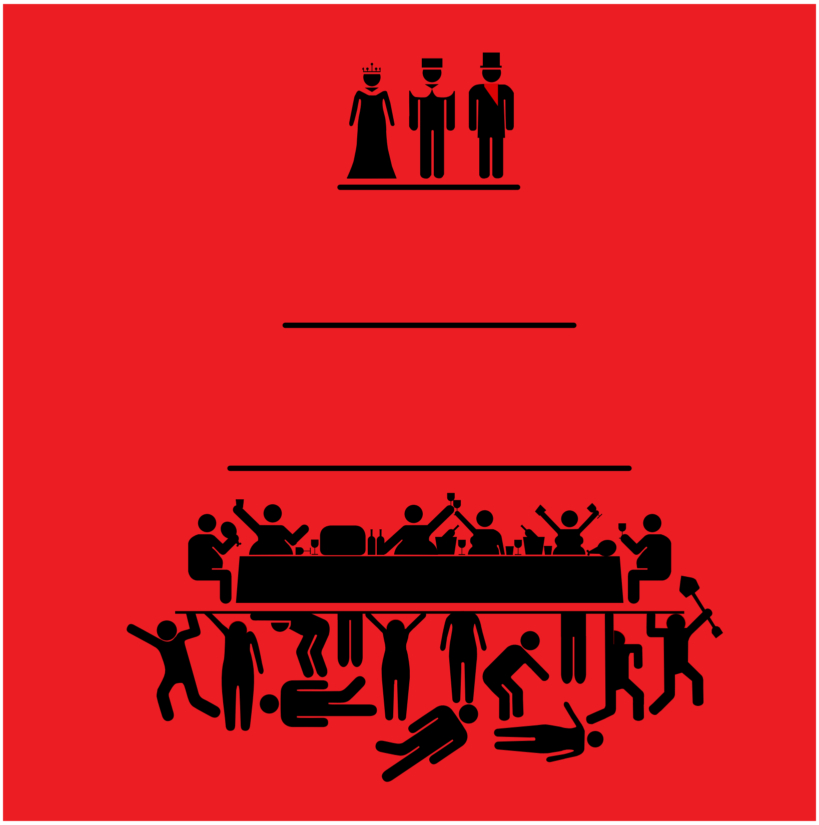
APL Apollo is India's largest manufacturer of structured steel tubes. Like most companies, it was hit hard by the first wave of the pandemic, with sales halving and profits being wiped out completely in the April-June 2020 quarter. But, it was a blip. What followed was a relentless cycle of market share gain, so much so that the company will end FY22 with 55 per cent share of the steel tubes market, up from 40 per cent in FY20. Its operating cash flows have doubled during this period. Many of its competitors, particularly in the unorganised sector, have either shut shop or curtailed operations significantly. Such a sharp rise in market share in just two years is nothing short of staggering. Yet, APL is not alone. Strong leaders in practically every business sector have increased market share during the last one year, at the expense of weaker competitors with less access to capital, technology or labour. Bajaj Finance in the NBFC space, Polycab in cables and Asian Paints in paints are just a few examples. This trend, of concentration of market share, profitability and shareholder returns, is something which was already under way in India, but got hugely accelerated by the Covid disruption.

Recent figures from the Reserve Bank of India show that the sales share of non-financial companies with annual revenues of more than ₹1,000 crore — the biggest corporations — went up to 91 per cent in the January-March quarter of 2021, up from 89 per cent in the corresponding quarter of the previous year. Smaller companies lost ground. Even more significantly, data from investment management firm Marcellus reveals that today, 90 per cent of India's corporate profits are accounted for by the top 20 most profitable companies. This startling fact, that a handful of companies generate almost all of Indian corporate profits, hasn't gone unnoticed by the stock market. Nearly 80 per cent of the wealth created by the Nifty in the last decade has came from only 16 companies. Even accounting for the fact that this has been an exceptionally lean patch for corporate India, one unlikely to continue forever, this trend of concentration is too pronounced to be ignored, for it gets reinforced with every major disruption such as Covid or demonetisation — the strong get stronger, the weak struggle. In a perverse way, market leaders may even welcome such external shocks, almost as the village moneylender craves the occasional drought. In the adversity of others, there is an opportunity; such is the sad truth of the capitalist jungle.

This trend of unequal growth trajectories or concentration partially explains the baffling performance of the Indian stock market in the face of widespread economic distress. Here, too, concentration is at play. The top six stocks in the S&P BSE Sensex — Reliance, HDFC Bank, Infosys, ICICI Bank, HDFC and TCS — account for 60 per cent of the index's weight. Add the next two, and the top eight account for as much as 70 per cent. Basically, if these few stocks, all market leaders in their industries, continue to do well and gain market share, chances are that the Sensex will keep rising, regardless of how poorly the Indian economy does. It will not matter if a few hundred smaller stocks are languishing or perishing, as they border on irrelevance. One must hasten to add here that the number of companies which are leaders in diverse sectors is not as small as this simplistic analysis may suggest. Maybe a hundred-odd names can grow fast in the years to come. Yet, concentration is a reality that no Indian investor can be oblivious to. The tall trees are getting taller with every passing day, blocking out sunlight and oxygen for the smaller shrubs.

This widely disparate performance of economic participants, both in the corporate sector and financial markets, is reflected in income and wealth of individuals and households. In the last one year, when large swathes of the economy struggled to stay afloat, India added 40 new billionaires. The combined wealth of our 177 billionaires doubled to well over $750 billion. The country's richest man, Mukesh Ambani, saw his wealth double to $84 billion. Gautam Adani, whose riches, like his surname, rhyme with Ambani's these days, faced more volatility, but nevertheless saw his wealth soar to over $60 billion. This at a time when, as data from the Azim Premji University shows, 23 crore Indians got pushed into poverty and millions lost employment. None of this is to disparage India's billionaires. We need them. Without wealth creation and a flourishing corporate sector, India's unemployment and low per capita income problems will get worse, not better. And it is not as if these billionaires have prospered by unfair means, at least in most cases. Yet, such extreme concentration of wealth comes with its own risks. The stock market may celebrate how a successful company squeezes out competitors and makes survival difficult for unorganised players, but these smaller outfits are significant generators of employment and income for a large population. When they are hurt, or go bust, more Indians get driven into poverty. It is all very well to call this inevitable creative destruction, but at some point, a more nuanced, and humane, lens is called for. Else, it may go on to create an unstable social situation, if it hasn't already. That is not desirable, not just by the have-nots, but also by the rich who have prospered in this difficult time.

Left to itself, this trend will only grow stronger. Current momentum favours the market leaders and with every higher step they make conditions more difficult for challengers. Amazon is the perfect example. This is a big test for capitalism as we know it and one that may be fundamental in deciding if it will survive the century. Would a 'winner take all' trend be allowed to flourish, or would this extreme concentration of wealth and influence need to be reined in somehow? In India, this question is especially germane, for while markets are always very important, a nation has to be more than just that – a marketplace. BT



91%

SALES SHARE OF NON-FINANCIAL COMPANIES WITH ₹1,000 CRORE ANNUAL REVENUE IN THE JANUARY-MARCH QUARTER OF 2021, UP FROM 89 PER CENT IN THE CORRESPONDING QUARTER OF THE PREVIOUS YEAR

• • • • • •

Vijay Shekhar Sharma, MD & CEO, One97 Communications Ltd

TOP SHAREHOLDERS' STAKE

VIJAY SHEKHAR SHARMA
14.6%

ANT FIN
29.6%

PAYTM IS SET TO DEBUT ON STOCK EXCHANGES. SOARING PRIVATE VALUATIONS, DESPITE HUGE LOSSES, INDICATE A BUMPER LISTING. CAN ITS MULTIPLE ENGINES DELIVER?

BY **ANAND ADHIKARI**
ILLUSTRATION BY **ANIRBAN GHOSH**

Corporate

UNTANGLING PAYTM

SVF INDIA	SAIF	ALIBABA
18.3%	17.2.%	7.2%

As on date of draft offer (July 16, 2021)

India’s startup ecosystem is hogging the stock market limelight. Investors have barely digested food-delivery company Zomato’s initial public offering (IPO), and soon they will be served another. This time it will be a super-sized one from Paytm, India’s largest fintech and the second-biggest startup by valuation.

The numbers in the IPO prospectus filed by One97 Communications Ltd, which runs Paytm, are staggering. The 11-year-old company plans to raise $2.2 billion, or ₹16,600 crore, which would make it India’s biggest-ever IPO, displacing Coal India’s ₹15,000-crore offering nearly a decade back. The IPO is expected to value Paytm at between $25 billion and $30 billion. That is not only more than half the market value of State Bank of India, India’s largest bank, but also a steep jump from Paytm’s $16 billion valuation in November 2019, when it had raised $1 billion from global investment management firm T. Rowe Price and existing investors, the Chinese Ant Financial and Japanese conglomerate SoftBank.

The IPO market capitalisation values Paytm at 66-79 times (66-79x) its operating revenue of ₹2,802.41 crore in the fiscal year ended March 2021. That is a steep premium over the 25x revenue multiple of its global payments peers. It is also manifold higher than the 17x that China's Ant Group, Paytm's top investor, sought in its planned IPO last year.

It's a bold bet by Paytm founder Vijay Shekhar Sharma. But the 43-year-old, who taught himself English by memorising rock songs, has built Paytm by taking audacious steps. He took the Noida-based company from being a digital payments platform for utility bills and mobile top-ups to a digital supermarket selling a host of financial services and products built on top of payments. It has 33.3 crore consumers and 2.11 crore merchants on its platform, with services spanning payments, lending, insurance, banking and wealth advisory.

However, Paytm, like most growth-hungry startups, has been posting losses consistently. Its losses dropped to ₹1,701 crore in FY21 from ₹2,942 crore a year earlier due to lower marketing and promotional expenses, but the company warned prospective investors in its IPO that they should not expect profits anytime soon. Its other key metrics are also not too rosy. Operating revenue slid 14.5 per cent in FY21, partly due to Covid-19 disruption, while adjusted EBITDA — earnings before interest, tax, depreciation and amortisation, a key profitability metric — was a negative 59 per cent.

THE VALUATION GAME

BASE CASE SCENARIO

$16 BILLION

BEST CASE SCENARIO

$24-25 BILLION

MOST OPTIMISTIC SCENARIO

$28-30 BILLION

Source: Markets

Nonetheless, while Zomato may have been the first Indian startup to go public, Paytm's listing is set to be a watershed moment in its own right as it will be the first fintech to do so in India's burgeoning financial sector amid a strong bull run in the stock market. Paytm executives did not comment on the story citing silent period norms.

"It is a PharmEasy moment in banking," says Abizer Diwanji, Partner, Financial Services, at leading consultancy firm EY India. Diwanji is drawing parallels with an equally pivotal moment in June, when PharmEasy, a seven-year-old e-pharmacy founded by entrepreneurs in their early 30s, acquired Thyrocare, a 40-year-old, publicly-listed diagnostics chain. "Tomorrow, a fintech could buy a traditional bank," he says.

Paytm's listing will act as the benchmark for other fintechs. But before that Paytm has to weather the ultimate test of its valuation — public market scrutiny. As investors peel back the layers from its wide range of operations, there will be questions. How will Paytm move from the low-margin payments business, where it has built scale, to the highly competitive lending, investment and insurance segments? How fast can it switch from being a loss-making private firm to a profitable public company? What will be the key valuation drivers for Paytm to reward shareholders in the future? And finally, does it matter that Sharma, whose name is synonymous with Paytm, has a mere 14.6 per cent pre-IPO stake and is no longer classified as a promoter?

Let's take these questions one at a time.

All Scale, No Money

Over the last decade, Paytm has built

PAYTM'S GROWTH ENGINES — THE JOURNEY

2009	2012	2014	2015	2016	2017
LAUNCH OF PAYTM	PAYMENT GATEWAY	PAYTM WALLET	QR CODES MOVIE TICKETING BILL PAYMENTS	FLIGHT TICKETING	PAYTM PAYMENTS BANK PAYTM GOLD FASTAG EVENTS TICKETING

“**IT IS LIKE A PHARMEASY MOMENT IN BANKING. SO FAR, THE BUSINESS MODEL IS LARGELY A CUSTOMER ACQUISITION CHANNEL. THE IPO WILL CERTAINLY PUT A LOT OF PRESSURE ON PAYTM TO DESIGN THE PATH TO PROFITABILITY”**

ABIZER DIWANJI, Partner, Financial Services, EY India

2018

- PAYTM MONEY
- POSTPAID
- PAYTM FIRST GAMES

2019

- SOUNDBOX FOR AUDIO PAYMENTS
- MERCHANT CASH ADVANCE

2020

- ALL IN ONE SERIES OF QR CODE, GATEWAY AND ANDROID POS

2021

- CREDIT CARD
- INSURANCE
- DERIVATIVES AND F&O
- SMART POS
- EQUITY TRADING

a vast network of merchants using QR codes, point-of-sale (PoS) terminals and digital payments. Its gross merchandise value (GMV) under all platforms topped ₹4 lakh crore in FY21, which is equivalent to 2 per cent of India's GDP. It makes money in payments through merchant transaction fees, recurring subscription fees for PoS terminals and consumer convenience fees, among others. The likes of Mastercard and Visa, too, have built successful businesses centred on payments, which Dinesh Arora, Partner (Deals) at PwC India, estimates is a $100 billion market globally.

"Payments is a business of volumes, funnel generation, building loyalty and trust and a brand name. There is certainly value which is attached to dominance in creating that market share and mind space. There will be some premium based on the market share," says Anup Jain, Managing Partner of Orios Venture Partners, an early-stage investor.

But Paytm, which for long has ruled the roost when it comes to digital wallet payments, has not fared as well with the Unified Payments Interface (UPI), India's real-time digital payments network. Flipkart-owned PhonePe and Google Pay had a market share of 46.04 per cent and 34.63 per cent, respectively, in terms of the volume of UPI transactions this June. Paytm had a mere 11.63 per cent share, though it is still the market leader in overall digital payments. However, digital payments are a game of scale with no business model per se. A payments company has to burn boatloads of cash on incentives such as cash-backs and discounts to acquire a customer, who may quickly switch loyalty to a rival with better offers. Then there are the high commissions payable to third-party gateways. That's why "it is difficult to predict the profitability of a payments business in the next three-five years," says Rajeev Shah, MD and CEO of transaction advisory firm RBSA Advisors.

The real value comes after acquiring the customer, says Shilpa Mankar Ahluwalia, Partner (Fintech) at law firm Shardul Amarchand Mangaldas & Company. "Once a customer is acquired via a payments product, fintech platforms analyse his data to deliver multiple customised financial products via the same distribution channel." And today Paytm owns the customer, which increases its chances of pushing through other products by cross-selling and building on top of payments.

Call it staying ahead of the competition or the logical next step, but Paytm has launched a slew of such products, including loans, investments and insurance, over the past few years. With Paytm, the Sharma-led One97 Communications is essentially replicating what Jack Ma did with Ant Group's digital payments platform, Alipay.

Ant Group — spun off from Jack Ma's Alibaba Group, one of the earliest investors in Paytm — is the world's leading payments and lifestyle platform today with more than 1.2 billion users. Alipay transformed itself from a digital wallet to a lifestyle player with services that include booking taxis, hotels and movie tickets; paying friends and utility bills; availing loans; investments and insurance; even doctor appointments. More than half of its $17.5 billion revenue comes from credit, investment, wealth management and insurance products.

Paytm is aiming to be a similar one-stop, digital-financial-services shop for India. But the journey to scale up its non-payments business has just begun.

AN EXPENSIVE PROPOSITION

PAYTM WILL BECOME THE MOST RICHLY-VALUED PAYMENTS COMPANY

Companies	EV/ Revenue multiple
Paytm	42X
Paypal	15X
Visa	25X
Mastercard	24X
Ant Group	17-20X
WEX Inc	6X

X times the revenues; Paytm was last valued at $16 billion
Ant's valuation at the time of its proposed IPO in August 2020

STAGNANT REVENUES

Year	2020/21	2019/20	2018/19	2017/18
Total Income	3,186.80	3,540.70	3,579.67	3,309.61
Net Loss	1,701.01	2,942.36	4,230.90	1,604.30

Figures in ₹crore; consolidated; Source: Annual report

A Lending Hand

The value in the payments business will come from the value-added services Paytm wraps around individuals and merchants. The biggest of these is retail digital lending, which a recent Motilal Oswal report said has delivered more than 40 per cent compounded annual growth over the past seven years. "India is a credit-starved economy," says Jain of Orios Venture Partners. "The traditional banks ask for collateral to give access to credit. Now, based on financial transaction data, a new market for unsecured lending has opened up."

And Paytm has dived headfirst into this market. In 2018, it launched a buy-now-pay-later (BNPL) loan product with Clix Finance, offering instant digital loans to customers during checkouts. As the name suggests, BNPL acts like a credit card with future repayments. Paytm also has co-branded credit cards with Citigroup and SBI Card. It makes money through sourcing fees based on a percentage of the loans, collection fees and upfront distribution fees per credit card.

However, this loan origination, either through BNPL or a credit card, for others, by itself doesn't create a lot of value for Paytm. But when it adds a customer's digital payment footprint to the loan, it changes the value proposition for partner banks and non-banking financial companies (NBFCs) which need such credit models to strengthen their underwriting processes.

BNPL has opened up massive, underserved segments such as blue-collar workers and new-to-credit borrowers. Most banks don't serve these segments because of the risk involved, the high cost of onboarding a customer and the hassle of collection and recovery. "The tie-up with payment fintechs has the comfort of reducing the credit risk and giving banks control over collections. The cost of onboarding an existing payments customer is also very low," says Anubhav Jain, Co-founder and CEO of

> **GLOBALLY, FINTECHS' BETS ON NEW HIGH-MARGIN PRODUCTS TO IMPROVE OVERALL PROFITABILITY HAVE NOT BEEN REALISED AS THE COMPETITIVE ENVIRONMENT, FUELLED BY SURPLUS VENTURE FUNDING, HAS DRIVEN DOWN MARGINS EVEN FOR THE PRESUMABLY HIGH-MARGIN OFFERINGS"**
>
> **BARNIK CHITRAN MAITRA,** Managing Partner and CEO, ADL India and South Asia

Rupifi, a fintech catering to SMEs.

However, fintechs earn only a fee or commission for sourcing these loans, whereas their partner banks pocket the lucrative interest earnings. The competition is also heating up, with the likes of ZestMoney and PhonePe entering the BNPL market. In fact, Mobikwik, which has also filed for an IPO, has emerged as one of the biggest players in the segment. Therefore, experts suggest that the real value for Paytm will come from the direct lending business, where the bigger margins lie.

But for this, it needs a full-scale banking licence. Paytm Payments Bank, which accepts deposits but is not allowed to lend, is already considering converting itself into a small finance bank next year after it completes five years, as is required by the Reserve Bank of India. There is a potential to earn more than a traditional bank's 3.5 per cent to 4 per cent net interest margin. "The kind of margins lending fintechs are making would be probably double than that of banks and NBFCs because of the different market segment," says Rupifi's Jain.

But higher returns come with higher risks. "BNPL profitability in the Indian context is yet to be proven as the credit quality of BNPL customers may be slightly worse than that of a typical credit card customer," warns Barnik Chitran Maitra, Managing Partner and CEO, ADL India and South Asia, a management consulting firm.

Paytm doesn't provide a break-up of how much it earns from its lending services. But its revenue from payments and financial services — which include its non-lending services such as investment and insurance — accounts for 75 per cent of the total, up from 58.1 per cent a year ago. However, the road ahead for its non-lending businesses isn't too smooth.

Losses Ahoy

Paytm Money is an online platform for investing in equities, futures and options and mutual funds. It also offers wealth management services. It had

> **“PAYTM’S CURRENT VALUATION OF $16 BILLION IN THE PRIVATE MARKET — SECOND ONLY TO EDTECH STARTUP BYJU’S $16.5 BILLION — ALREADY ACCOUNTS FOR THE COMPANY’S CUSTOMER BASE, NETWORK AND POTENTIAL SCALE”**
>
> **ARIJIT SARKAR,** Director, Trifecta Capital Venture Debt

more than two lakh equity trading accounts and ₹5,200 crore assets under management in FY21. Building this on top of its massive payments business has helped Paytm. The customer acquisition cost of Paytm Money is zero. Then there is Paytm Insurance Broking, which aggregates everything from auto to health insurance products.

But again, these businesses earn Paytm only fees, such as on account opening and transactions in equity broking, and commissions, such as on insurance premiums. It is also up against new-age players like Zerodha, Upstox and 5paisa who have, in quick time, built a lending business on margin trading — lending customers money to buy shares — on top of their zero-brokerage model.

When it comes to insurance broking, aggregation services offer razor-thin margins. Paytm, though, has a broking licence and has been selling insurance products through its platform for a while. It is also acquiring traditional general insurance company Raheja QBE. Still, it is up against pure-play digital players like Digit and Acko Insurance, which are backed by deep-pocketed investors and offer a paperless insurance process.

However, Ajit Deshmukh, MD at investment banking firm Equirus Capital, believes Paytm’s bulk in terms of customers and transactions will help it grow. “Payments is a scale business. The pyramid of lending and investment products for Paytm is building up in a nice way. As they keep adding the layers, you will see them making money,” he says.

Paytm also has a commerce and cloud business, which accounted for 25 per cent of revenue in FY21. It offers services like ticketing, entertainment and travel. It also sells merchant software and cloud services for billing, inventory management and real-time bank settlement. Here too it has built scale on the back of cash-backs and discounts, which is neither sustainable nor helpful to profit margins. Moreover, it has to compete with behemoths like Amazon and Reliance, among others.

"Paytm is betting on higher-margin products to offset the low margins in the payments business but the scale in the non-payments business would take time," says an investment banker. Nonetheless, Paytm made it clear in its 497-page prospectus that it would continue pushing the growth pedal after its IPO and use a large chunk of the proceeds to fund business acquisitions and partnerships.

It also had another warning in the risk section of the prospectus. "We have a history of net losses, we anticipate increasing operating expenses in the future, and we may not be able to achieve and maintain profitability." This is not the sort of predictability public markets look for. "The (historical) losses actually don't matter for investors in public markets. They invest based on the guidance of profitability," says Deshmukh of Equirus Capital.

This is very different from investments in the startup world, where growth and market potential are bigger factors. "Every next round is done on a higher valuation, otherwise it will result in dilution of equity for existing investors and founders," says Shah of RBSA Advisors. "There is a perverted incentive for fundraising at higher valuations, which may be unrealistic and not in congruence with the underlying operational performance."

Multiple Problems

Aviral Jain, MD of financial consultancy firm Duff & Phelps, says one way to value the likes of Paytm is using metrics such as subscriber base, number of transactions and gross transaction value. "A digital payment company that is in a rapid growth stage and has experienced significant growth in such metrics, but has not yet turned profitable, can be valued using an adjusted revenue multiple," he says.

Maitra of ADL India says that globally fintechs are valued at 10-30x revenue. "The rumoured public market valuations for Indian fintech players at 25-60x seem richer than their global, more established, peers," says Maitra. Paytm may be even higher, at 66-79x revenue. But, an investment banker managing the Paytm IPO says, "For a fintech operating in a high-growth mode, there are always expectations of growth and profits moving up like a hockey stick."

Jain of Duff & Phelps agrees. "Fintech players have always commanded a premium to traditional financial services businesses due to their ability to leverage technology to grow at a pace not previously seen in financial services," he says. Perhaps, that is why late-stage and mature payments companies do not command high multiples. "If we need to apply these multiples to value fintechs with high- to mid-stage growth, the multiples would be adjusted upwards to price the expected growth," says Jain.

Paytm doesn't lend from its books but if, or when, it does, there is a promise. "Fintechs lending from their own balance sheet will probably be valued as tech NBFCs where loan origination, underwriting and disbursement are completely digital. It is reasonable to value such fintechs based on traditional methods like price-to-book," says Arijit Sarkar, Director, Trifecta Capital Ven-

PAYTM IN NUMBERS

33.3 cr
CONSUMERS

2.11 cr
MERCHANTS

₹4,03,300 cr
TOTAL GROSS MERCHANDISE VALUE

₹9,151 cr
BALANCE SHEET SIZE

₹6,534 cr
NETWORTH

₹3,186 cr
TOTAL INCOME

₹1,701 cr
NET LOSS

FIGURES FOR 2020/21;
SOURCE: PAYTM ANNUAL REPORT

ture Debt. "But you have to add a premium for growth."

Not everyone agrees that such premiums are deserved. "Globally, fintechs' bets on new high-margin products to improve overall profitability have not been realised as the competitive environment, fuelled by surplus venture funding, has driven down margins even for the presumably high-margin offerings," says ADL's Maitra.

Abhishek Agarwal, Managing Partner, Rockstud Capital, lists Paytm's likely competitors. "Paytm is trying to be the super app of India to capture the young, new, digital audience. Looking at Reliance, Tata, Facebook and Google fighting in this space, this IPO valuation definitely is expensive," he says.

The valuation could be put to the test soon as Paytm plans to raise ₹2,000 crore in a pre-IPO placement. While the terms of the offering are not yet decided, it will serve as a benchmark for the upcoming IPO.

A Lot's at Stake

Paytm's current valuation of $16 billion in the private market — second only to edtech startup Byju's $16.5 billion — already accounts for the company's customer base, network and potential scale, says Sarkar of Trifecta. It will have to balance its growth ambitions with public markets' expectations of returns and profitability. "So far, the business model is largely a customer acquisition channel. The IPO will certainly put a lot of pressure on Paytm to design the path to profitability," says EY's Diwanji.

Then there are factors that have not been likely baked into Paytm's current valuation. "A public listing for start-ups would certainly mean taking internal governance and compliance systems to the next level," says Ahluwalia of Shardul Amarchand Mangaldas. That would mean higher expenses.

Then there is regulatory scrutiny. While One97 itself isn't regulated by any entity, its group entities are. Paytm Payments Bank, Paytm Money and Paytm Life Insurance come under the

> **"THE REAL VALUE COMES AFTER ACQUIRING THE CUSTOMER. ONCE A CUSTOMER IS ACQUIRED VIA A PAYMENTS PRODUCT, FINTECH PLATFORMS ANALYSE HIS DATA TO DELIVER MULTIPLE CUSTOMISED FINANCIAL PRODUCTS"**
>
> **SHILPA MANKAR AHLUWALIA,** Partner (Fintech), Shardul Amarchand Mangaldas & Co

“EVERY NEXT ROUND IS DONE ON A HIGHER VALUATION, OTHERWISE IT WILL RESULT IN DILUTION OF EQUITY FOR EXISTING INVESTORS AND FOUNDERS. THERE IS A PERVERTED INCENTIVE FOR FUNDRAISING AT HIGHER VALUATIONS, WHICH MAY BE UNREALISTIC”

RAJEEV SHAH, Managing Director & CEO, RBSA Advisors

lens of banking, stock market and insurance regulators, respectively. This assumes importance after Chinese regulators scuppered the IPO of Ant Group and went after behemoths like Alibaba in order to break them up. “We have already seen what happened to Alibaba recently and, therefore, one can’t overlook such facts,” says Agarwal of Rockstud Capital.

Moreover, Sharma, the public face of Paytm for years, is no longer identified as a promoter. Sharma, who started his entrepreneurial journey as a college graduate by selling a website he built, is now simply the MD and CEO, with 14.6 per cent stake in the company he founded. In contrast, Jeff Bezos still holds a 10.3 per cent stake in Amazon even after 27 years. Founders Larry Page and Sergey Brin own a combined 11.4 per cent in Google’s parent Alphabet, while Mark Zuckerberg has a 14 per cent stake in Facebook. “All these founders stayed put with a higher stake to build sustainable businesses. Paytm will have challenges with private equity investors holding the majority stake,” warns the CEO of an NBFC.

While foreign investors like Ant Group, SoftBank and venture capital firm Elevation Capital will wield significant influence as majority shareholders, some say that Sharma’s low stake isn’t important as Paytm is now a professionally-run entity. “It is all about the execution. The right management and the board always deliver,” says Deshmukh of Equirus Capital.

One could also point to Paytm’s fellow loss-making startup Zomato’s IPO last month, which was lapped up by retail and institutional investors alike. Then again, it’s not quite fair to compare a fintech company with a foodtech one. Just as Paytm’s IPO may be a watershed moment for startups, it is an equally testing moment for public markets as well.

As ace investor Rakesh Jhunjhunwala often says, “*Bhaav bhagwan hai.*” Or “Price is god.” All that remains to be seen is who finds religion. **BT**

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RISE OF THE FINFLUENCERS

HOW A BUNCH OF YOUTUBE STARS IS MAKING IT BIG BY INTRODUCING MILLIONS TO STOCK INVESTING AND FINANCIAL PLANNING

BY **ASHISH RUKHAIYAR**
PHOTOGRAPHS BY **BANDEEP SINGH**

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NAME: **MUKUL MALIK**
AGE: **39**
QUALIFICATION: **MBA**
NUMBER OF FOLLOWERS: **2.45 MILLION**
AVERAGE NUMBER OF VIDEOS PER MONTH: **5-6**
BASE: **DELHI**

969 Comments SORT BY

Mumbai was a huge contradiction in 2020. On the one hand, India's financial capital was breaking under the strain of the Covid-19 pandemic and on the other, its financial markets were on a tear. The stock market went on a record-breaking rally, foreign investors pumped in billions, and millions of new investors came in and traded at record levels. But the financially savvy investors were not the only ones cashing in.

Around 150 kilometres south of Mumbai lies Pune, home to Rachana Ranade, a chartered accountant by qualification and a teacher by trade. Here, the 35-year-old puts up 8 to 10 videos on YouTube every month. Ranade, however, doesn't teach her 2.78 million subscribers how to draw up financials, but tells them how to analyse them and invest in the market.

A thousand kilometres from Pune is Raipur, which isn't even among the top 20 cities in terms of contribution to the country's stock market turnover. Yet, 28-year-old Pranjal Kamra has created a buzz with his YouTube channel. He has nearly three million subscribers — 2.83 million to be exact — who tune in for his advice on stock markets and personal investments.

Ranade and Kamra are among the many big names from smaller cities in the growing world of 'finfluencers.'

Simply put, a finfluencer — as a financial influencer is usually called — is one who gives the ordinary investor information and advice on an array of financial topics such as stock market trading, personal finance and mutual funds. Their social media of choice is YouTube, where they post videos, mostly in Hindi or a regional language. Or even 'Hinglish', a mix of Hindi and English, to attract the non-English speaking, newly-minted investors from small towns. And people have flocked to them in droves, with the most popular ones commanding a following running into millions.

The popularity of these 10-20 minute-long videos is explained by India's low financial literacy rate of 27 per cent, according to the National Centre for Financial Education's 2019 survey. So naturally, first-time investors, especially from far-flung towns and cities, are drawn to these finfluencers. This also explains why some of their most-viewed videos are "How to buy your first share", "Get regular income from gold", or even "Earn 2.5 crores in 20 years! How?"

The finfluencer phenomenon isn't limited to India. According to a report by Statista, a German firm specialising in market and consumer data, the global market size of influencers — those who talk about fashion, gadgets, health, beauty and finance on social media — has surged eightfold in just five years, rising from a mere $1.7 billion in 2016 to nearly $14 billion in 2021. More tellingly, the market size has more than doubled from $6.5 billion in 2019.

These two years also saw an explosion in the popularity of finfluencers in India as millions of new investors entered the market. Trading was democratised as new-age broking firms built easy-to-use apps. Affordable smartphones, cheap data plans and ubiquity of digital payments helped. However, these new investors lacked the knowhow. And the 24/7 business news channels weren't exactly helpful.

"If you look at most business news channels, they primarily focus on market updates, while the new investor needs education," says Kamra. He says finfluencers are filling the vacuum of financial literacy. Kamra, who likes to be casually dressed in a tee in most of his videos, adds that most influencers prefer YouTube. "For a content provider, YouTube comes with a lot of tools to control how and to whom the content is highlighted," he says.

The popularity of India's top finfluencers is clear from the fact that they have more YouTube subscribers than new-age broking firms like Zerodha, Groww, Upstox and 5Paisa as well as traditional ones like IIFL, Kotak Securities, ICICI Direct and Angel Broking. Even popular western finfluencers — like Anthony O'Neal, My Fab Finance, Mr Money Mustache, The Budgetnista and Mrs Dow Jones — have a few thousand, or at best three to four lakh, subscribers. But nowhere near a million (or ten lakh) like their Indian

$14 BILLION

THE GLOBAL MARKET FOR INFLUENCERS — ALL CATEGORIES — UP FROM $1.7 BILLION IN 2016

“

IF YOU LOOK AT MOST BUSINESS NEWS CHANNELS, THEY PRIMARILY FOCUS ON MARKET UPDATES; THE NEW INVESTOR NEEDS EDUCATION”

👍14K 👎275 ➦ SHARE ≡+ SAVE ... SUBSCRIBE

NAME: **PRANJAL KAMRA**
AGE: **28**
QUALIFICATION: **LLB**
NUMBER OF FOLLOWERS: **2.83 MILLION**
AVERAGE NUMBER OF VIDEOS PER MONTH: **3-4**
BASE: **RAIPUR**

969 Comments ≡ SORT BY

counterparts. Such is their growing popularity in India that leading broking firms are engaging these YouTube stars to reach out to potential investors.

The high subscriber count has resulted in a financial windfall for Indian finfluencers, especially the ones with million-plus followers. While their videos are free to view, a financial influencer, like those in other categories, has multiple streams of income like Google advertisements, collaborations and partnerships. All these streams can add up to lakhs in earnings. One estimate pegs the figure at upwards of ₹15 lakh a month.

“Once you have got more than a million followers and are making videos on a weekly basis while also engaging with broking firms, the monthly earnings can be anywhere between ₹15 lakh and ₹30 lakh,” says a broking firm executive who often engages top finfluencers. This is corroborated by three others, including a finfluencer, none of whom wants to be named.

But to hit those lakhs in earnings, they need millions of followers. And that isn’t easy.

WHO WANTS TO BE A MILLIONAIRE?

Mukul Malik started his YouTube channel, Asset Yogi, in August 2017, mostly focusing on real estate. But, the

39-year-old tasted success only after he pivoted towards topics like the stock market and personal finance. The Delhi-based MBA still remembers how he got his first 500 followers.

"It was mostly friends and family. I still remember it took me around three months to get to 1,000 followers, but the next three saw around 10,000 additions. The last year or so has been great in terms of followers as demand for information relating to financial instruments and stock markets has soared," he says.

Similarly, Ranade started her YouTube sojourn in 2009 by posting videos for her students. It took her channel nearly a year-and-a-half to hit the magic mark of one million, and that happened only after she shifted to making videos on capital markets in February 2019. It took her just seven months to get the next set of one million followers.

Ranade says the pandemic was a strong catalyst for the rise of finfluencers. "The lockdown last year gave people more time to look at their finances and financial planning in particular. Job losses and salary cuts were rampant and people started looking at other sources of income, which brought them to YouTube for informative content," she says.

"MY CHANNEL AIRS ONLY FINANCIAL EDUCATION VIDEOS AS THERE ARE A LARGE NUMBER OF INVESTORS WHO WANT TO LEARN THE CONCEPTS OF INVESTING"

👍17K 👎175 ↗SHARE ≡+SAVE ... SUBSCRIBE

NAME: **VARUN MALHOTRA**
AGE: **39**
QUALIFICATION: **MBA, CFA**
NUMBER OF FOLLOWERS: **3.7 LAKH**
AVERAGE NUMBER OF VIDEOS PER MONTH: **1**
BASE: **GURUGRAM**

769 Comments ≡ SORT BY

But to keep those subscribers coming back, YouTubers also have to post content regularly. Ranade follows a strict schedule. She posts 8 to 10 videos every month — one each on Wednesdays and Saturdays. She also does one live stream each week where she interacts with her viewers.

While Kamra, Ranade and Malik are bonafide YouTube stars, having already crossed the one million follower mark, there are others who are closing in on the milestone. Parimal Ade, P.R. Sundar and Ankur Warikoo are among those who have crossed the half-way mark. And, if their recent pace of getting followers is anything to go by, they will be a part of the one million club sooner rather than later.

Warikoo, who hails from Faridabad, focuses more on financial planning and personal finance rather than stock-specific content, for his 6.98 lakh subscribers. He believes the young generation always looked at YouTube as a platform for learning and the pandemic made the demand explode. "The youth have used YouTube for their school homework, for their college assignments and for learning new skills like coding. So, the demand always existed. I think what changed in the pandemic was the supply," says the 40-year-old who is also the founder of food and shopping discovery platform nearbuy.com.

CONTENT IS KING

The quality of the supply, however, is of paramount importance. The rules for good content aren't too different from those for good journalism: it has to be informative, easy to understand and unbiased. This combination, say influencers, will lead to views and likes and ultimately translate into subscribers.

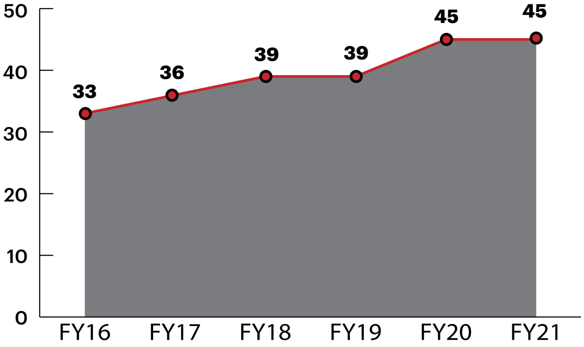
Take Varun Malhotra. The 39-year-old says his videos are primarily focused on explaining financial concepts to his 3.7 lakh followers rather than informing them about a particular stock. "I am completely into educating the viewer. My channel airs only financial education videos as there are a large number of investors who want to learn the concepts of investing," says Malhotra, whose most popular videos have been on mutual funds.

In fact, most finfluencers play it safe by focusing more on the concepts and fundamentals of stock market investing and financial planning instead of giving advice on what to buy or sell. Some are also registered with the Securities and Exchange Board of India (SEBI) as Registered Investment Advisors. In most cases, they even suggest that investors consult their financial advisor before taking the plunge.

There are some, though, who have amassed a sizeable following by creating a niche. Like 57-year-old Sundar. The former mathematics teacher, who is one of the top futures and options (F&O) traders in the country, makes videos on strategies relating to the derivatives market for his nearly 6.45 lakh YouTube subscribers.

RETAIL POWERS RISE OF FINFLUENCERS

Retail investors' share in cash market turnover (%)



Source: NSE

"I am an F&O trader myself and more specifically an options seller. No channel talks about options selling. I believe in talking about what I know and hence talk about derivatives. This is also the reason that, unlike most other channels, I have many HNIs (high net worth individuals) as followers; 10 per cent of my followers are from outside India," says the Chennai-based financial influencer.

Clearly, the focus is on improving financial literacy. In fact, the most-viewed finfluencer videos are on topics like the basics of stock market investing, personal finance, creating a retirement corpus, mutual funds and other such subjects. Their effort towards improving the investment culture earns them the trust of their audiences. This is especially crucial if an influencer also happens to be collaborating with broking firms or brands.

"Credibility is the key," says Malik. "We have to be ethical. If we are talking about a product or service, we have to talk about the risks as well. It cannot be one-sided. The content needs to be presented in a manner that is a win for the audience, the brand and the influencer. Only if it checks all the three boxes will I do a video that is sponsored by someone."

After all, sponsorships are one way to rake in the big bucks.

SHOW ME THE MONEY

There are three broad ways through which a finfluencer with a sizeable following can make money via videos. And savvy YouTubers have cracked this market, raking in crores annually in some cases.

The most common source of income is ads. Google, which owns YouTube, pays $4-5 for every 1,000 views on an ad. Known as 'revenue per mille,' or RPM, this metric is slightly on the lower side in India. But, even assuming it is a couple of dollars, a video with a million views could rake in ₹1.5 lakh. That's why views matter as much as subscribers.

“THE LOCKDOWN GAVE PEOPLE MORE TIME TO LOOK AT THEIR FINANCES. THEY CAME TO YOUTUBE FOR INFORMATIVE CONTENT”

19K 275 SHARE SAVE ... SUBSCRIBE

NAME: **RACHANA RANADE**
AGE: **35**
QUALIFICATION: **CA**
NUMBER OF FOLLOWERS: **2.78 MILLION**
AVERAGE NUMBER OF VIDEOS PER MONTH: **8-10; 4 LIVE STREAMS**
BASE: **PUNE**

769 Comments SORT BY

And, quite a few influencers are consistently hitting the one million mark in views per video too.

Two years ago, Ranade made a series of videos titled ‘Basics of Stock Market’. The first part has amassed 15 million views to date, while the second has got 6.1 million views. Kamra’s video ‘How Can Beginners Start Investing?’ has garnered nearly five million views. Malik’s tutorial on Zerodha’s trading app has 4.2 million views. Warikoo’s catchily titled ‘Earn 2.5 crores in 20 years! How?’ garnered a million views in just one month.

While ad revenue is passive income, a finfluencer can proactively earn through collaborations to promote a financial product in their videos. They either do this subtly, by talking about the brand while also mentioning its peers, or directly by discussing only that specific brand.

The third way influencers earn money is through affiliate partnerships. Here, they include links in the video description for viewers to buy a product or sign up for a service. For example, a finfluencer could promote a broking firm by adding a link to open an account. They get a commission for each account opened using that link; some even get a share of the firm’s earnings from these accounts.

At times finfluencers stay away from such promotions to maintain a neutral image but may accept an offer to feature on a broking firm’s official channel. “The top finfluencers can charge anything between ₹5 lakh and ₹10 lakh per video to appear on the channel of a firm. At times, these firms also enter into annual contracts for a specified number of videos, and the fee could go up to a crore,” says the broking firm executive quoted earlier.

Sundar, for example, says he expects a total income of ₹50 crore this financial year, despite focusing on the niche area of derivatives. And while this income is from both his YouTube channel and trading activities, it is a significant jump from the₹15 crore he had made last year.

Clearly, being a social media influencer can pay more than most regular day jobs and is fast turning into a full-time occupation for many. Indeed, those who milk all three sources of earnings — Google ads, collaborations and partnerships — get a bulk of their overall income from their YouTube channel. Their day jobs have been relegated to secondary status.

THE BULLS AND THE MATADORS

Millions want to make trading their primary occupation, if one goes by the sheer explosion in the number of first-time

investors in the past year or so. Many leading broking firms have got a record number of new clients. New client registrations hit a record 1.5 million in June 2021, more than double the 0.6 million in June 2020. This wasn't an aberration. More than a million new accounts have been opened in each month of the current calendar year.

The share of retail investors in the cash market turnover jumped from 33 per cent in FY16 to 45 per cent in FY20 with the same level being recorded in FY21, according to data from the National Stock Exchange. The jump to 45 per cent in FY20 from 39 per cent in the previous fiscal year was the sharpest ever. The surge in new investors and trading volume was mainly due to a strong rally in the stock market for the last year-and-a-half, the blip in the initial months of the Covid-19 pandemic notwithstanding.

The benchmark S&P BSE Sensex kicked off 2020 by touching a then record-high of 47,896.97. But it nearly halved to touch 25,638.90 in March — the lowest level of 2020 — as concerns related to the pandemic and the ensuing nationwide lockdown rattled investors across the globe, including in India.

The fall, however, was an excellent opportunity for foreign institutional investors, considered the prime drivers

TOPPING THE CHARTS

YOUTUBE CHANNEL	NUMBER OF SUBSCRIBERS
PRANJAL KAMRA	28,30,000
RACHANA RANADE	27,80,000
ASSET YOGI*	24,50,000
GROWW	9,34,000
PARIMAL ADE #	8,62,000
ANKUR WARIKOO	6,98,000
P.R. SUNDAR	6,45,000
ZERODHA	4,14,000
UPSTOX	3,82,000
VARUN MALHOTRA	3,70,000
ANGEL BROKING	2,54,000
5PAISA	2,06,000
IIFL MARKETS	1,12,000
KOTAK SECURITIES	48,700
ICICI DIRECT	48,000

Source: YouTube
*Mukul Malik; # Parimal Ade has three YouTube channels

THE BUSINESS MODEL

▶ THE MOST COMMON SOURCE OF INCOME IS ADS. GOOGLE, WHICH OWNS YOUTUBE, PAYS BETWEEN $4 AND $5 FOR EVERY 1,000 VIEWS ON AN AD

▶ AN INFLUENCER CAN ALSO EARN BY PROMOTING A BRAND OR PRODUCT IN THE VIDEOS

▶ THE THIRD WAY IS AFFILIATE PARTNERSHIPS. THEY INCLUDE LINKS IN THE VIDEO DESCRIPTION FOR VIEWERS TO BUY A PRODUCT OR SIGN UP FOR A SERVICE

“THE DEMAND ALWAYS EXISTED. I THINK WHAT CHANGED IN THE PANDEMIC WAS THE SUPPLY”

👍 15K 👎 275 ➦ SHARE ≡+ SAVE ... SUBSCRIBE

NAME: **ANKUR WARIKOO**
AGE: **40**
QUALIFICATION: **MBA**
NUMBER OF FOLLOWERS: **6.98 LAKH**
AVERAGE NUMBER OF VIDEOS PER MONTH: **12**
BASE: **FARIDABAD**

869 Comments ≡ SORT BY

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of any bull run in the equity market. They pumped a whopping $23 billion into the market in 2020, the highest annual inflow since 2012. That helped the Sensex rally more than 85 per cent off the lows of March to end the year at around 47,800. It topped 53,000 points this July, an all-time high.

And as first-time retail investors rode the wave, they were hungry for sound financial advice, especially in a language they understand. That's what led to some of the top finfluencers making their videos in Hindi, not English. Moreover, they are also experimenting with videos in other regional languages like Marathi, Tamil and Malayalam. Such channels are also quite popular.

Earlier this year, Pune-based Ade, whose three YouTube channels have 8.62 lakh subscribers between them, launched a new channel named 'Investment Gappa with Parimal Ade' to cater to the Marathi-speaking audience. The channel has amassed a following of nearly 34,000 in a little over three months.

"In Maharashtra, the investment culture is not that evolved outside Mumbai, especially if you compare it with neighbouring Gujarat. So, I started the channel to make videos in Marathi," says Ade, who has also been running a wealth management business for over a decade.

Broking firms also prefer to work not only with top finfluencers but also with those who have their own geographic or vernacular niche. "They are doing a yeoman service for new investors and are crucial to India's equity culture. Digital creators, especially those in regional languages, have taught us a lot about client communication. In fact, they were among the primary drivers of new equity investors in FY21," says Prakarsh Gagdani, CEO, 5paisa, who has worked with many finfluencers.

27

PER CENT

INDIA'S FINANCIAL LITERACY RATE, ACCORDING TO A 2019 SURVEY

The spike in demand for financial information and knowledge has led to various market intermediaries focusing on investor education. Broking firms, mutual funds as well as SEBI have been conducting investor awareness programmes in Tier-II and Tier-III locations.

I'VE GOT MY 'VIEW' ON YOU

Although the world of YouTube is largely self-governed, the rapid rise in reach of these finfluencers has not gone unnoticed by industry bodies. The Advertising Standards Council of India released guidelines for 'Influencer Advertising in Digital Media' this June to make viewers aware that a particular video contains promotional or paid content.

That is not very different from YouTube's in-house rules. The platform makes it mandatory for the creator or influencer to declare whether a video contains paid promotion, product placement, sponsorship or endorsement. It then displays a disclosure message to that effect for 20 seconds during the video.

"Many videos come with a message that they are promotional and that is an important disclaimer. YouTube has these guidelines in place so that the viewer knows exactly what he or she is watching," says Kamra, who has also done promotional videos. But these are largely boilerplate rules, not very unlike the mandatory disclaimers about market risk by mutual funds at the end of every ad or promotion.

"Independent content creators know their audience at a much deeper level. Their credibility and simple communication are essential for the ecosystem," says 5paisa's Gagdani.

In July, Angel Broking, which has a chiefly retail clientele, launched its Amplifiers platform for finfluencers — to collaborate with each other and the broking firm — to create content. In fact, most of the well-known firms work extensively with influencers to help grow their business in terms of clients and turnover.

"We have a standard partner programme for financial influencers wherein if they get new accounts, we pay them a certain brokerage. It is like the erstwhile sub-broker system," says Nithin Kamath, founder and CEO of Zerodha, the country's largest broking firm in terms of active clients. "In today's world, there is no use case for a sub-broker as everyone is trading online. In the digital world, whoever gets more traffic does well," he says.

While the pandemic may have had a starring role to play in driving traffic to the finfluencers' channels and videos so far, industry experts don't expect their popularity and importance to die down anytime soon. After all, India has only around five crore demat accounts, which means less than 5 per cent of the population invests in stocks. There is room for exponential growth on all sides.

"Influencers as a segment has picked up in the last three-four years and I don't think it is only on account of the pandemic when people had more time on their hands," says Jimeet Modi, founder and CEO of financial services firm SAMCO Group. "Influencer marketing has become a key channel for many brands, and as trading activity increased globally and in India, many turned to these influencers to 'deep dive' and learn new things. Influencer marketing as a channel is here to stay."

That can only be good news for investors tuning in to the latest YouTube videos put out by Kamra and his peers. **BT**

@ashishrukhaiyar

KARMA YOGI

Policy, intent and planning of Yogi Government has set new parameters of development in Uttar Pradesh.

TEST, TRACE, TREAT AND VACCIN

Chief Minister Yogi Adityanath was always at the front line during the battle with covid epidemic. The readiness and commitment of Yogi Adityanath for the livelihood management and health security of the common people impressed even his critics. There is no other example of the dedication, commitment and vision which the Chief Minister showed to defeat the second wave of Corona. Even after getting infected by the deadly virus during the second wave of Corona the 'Karma Yogi' did not relent for a moment. While remaining in home isolation he not only conducted the review meetings with officers but also continued the virtual dialogue program with different sections of the society including farmers, health experts and members of the supervision committees.

Right after getting the negative covid test report the chief minister reached ground zero to improve the health services. Fighting the covid-19 pandemic with the help of triple T formula of trace test and treat Yogi Adityanath was the first chief minister who reached at the door step of covid infected people and took information about the well being of them. The strategy of test trace and treat has broken the chain of infection. Yogi Adityanath launched the vaccination drive as a campaign to save people of the state from coronavirus. UP became the first state in the country to announce free covid vaccine for the people above 18 years of age. So with this a comprehensive approach towards safety from coronavirus continues and its positive results are also coming up.

Chief Minister Yogi Adityanath adopted the policy of decentralization of the system to arrange the fight against covid. Responsibility of top officials was decided and accountability was also ensured. Team 11 of Yogi Adityanath hit the headlines during the first wave of covid-19, when challenges were like management of migrant workers and ensuring availability of PPE kits. During the second wave the Chief Minister formed a 9 members team. This team looks after the works related with covid management at state level, takes policy decisions and implements them. During the second wave, the arrangement of beds and oxygen was the biggest task. At that time this team 9 excellently managed everything. The team 9 reports directly to Chief Minister Yogi Adityanath. Many works including availability of beds and resources, works related to training and vaccination, medical kit, testing and works related to increase in health facilities, monitoring of integrated covid command centre and CM helpline, availability of oxygen, cleanliness drive, fogging sanitization, containment zone, law and order, weekly closing and ensuring the covid protocol world divided among these members. This system gave positive results also and on the same line teams were organised in districts also.

COVID MANAGEMENT FROM COMMAND CENTRE

Chief Minister Yogi Adityanath established an integrated covid command and control centre in every district of state to fight with the corona wave. The 24/7 active centre is managing all activities related to covid management whether it is testing, admission in hospitals, delivery of medicine and other things to patients in home isolation, ensuring ambulance to the patients, updating the information on covid portal related to admission and discharge timings or monitoring of surveillance and supervision teams, everything was operated from there. Skilled and trained persons were deputed in these centers. Everyday top officials of the district used to take meetings there. World health organisation also praised the covid command and control centre of Uttar Pradesh.

EFFORTS OF SUPERVISION COMMITTEES

Covid infection was curbed in the state because of the visionary strategy of Chief Minister Yogi Adityanath. The important parts of the strategy, supervision committees and rapid response teams are worth praising. These are two such organisations which played an important role in controlling the situation at micro level in urban areas as well as the remote rural villages. From the beginning of the second wave of foreigner Chief Minister Yogi Adityanath organised rapid response teams and supervision committees separately for rural and urban areas and adopted the strategy of door to door screening. With the help of four lakh members of 73441 supervision committees and 7761 skilled rapid response teams the decisive effort was made to break the chain of covid-19.

MANTRA OF MICRO MANAGEMENT

Taking an important step towards the

ATION STOPPED THE COVID WAVE

> The Uttar Pradesh government is creating micro containment zones on the principle of jahan bimar vahan upchar (where there is a patient, there should be treatment) and distributing medicines in villages and rural areas. IT is a very good step.
>
> **— Narendra Modi,**
> **Prime Minister of India**

improvement in the system during covid crisis Chief Minister Yogi Adityanath implemented the sector system from districts to panchayat level. Generally this strategy is implemented to maintain law and order during elections or in a riot situation. But in the UP model an excellent effort was made by implementing micromanagement during the pandemic period. Districts were divided into sectors and then incharge magistrates were appointed for every sector who regularly visited covid hospitals and moved in their sector areas and insured admission and treatment of any covid patient found there. Not just that for the problems of Covid patient's, accountability of district magistrates and Chief medical officer's was fixed. This experiment also received laurels.

UNIFIED EFFORTS OF YOGI FOR PREVENTION OF EPIDEMIC

COVID BEDS

Around 1 lakh 80 thousand beds of L1 L2 and L3 categories were arranged in state for treatment of covid-19 patients. 25 government and 33 private medical colleges, medical universities and institutions are running in the state where 18 thousand 181 beds have been arranged and now its number is being doubled.

MEDICAL COLLEGES

Establishment work of 30 new medical colleges in the state is almost complete. These medical colleges will strengthen the health services of the state. The appointment procedure of more than 450 faculty members in these colleges is continuing. The Chief Minister has ordered for transparent selection of faculty members. The government has taken the decision to establish a medical college in every district.

COVID HOSPITALS

For prevention of Corona in rural areas 2 community health centres each in remote areas of all districts are being converted into dedicated covid hospitals. Each hospital will have 50 beds and L 1 category facilities. Oxygen plants are also being established in these hospitals.

SANITIZATION

To break the chain of infection fogging, sanitization and cleanliness drive is being conducted in all rural and urban areas during weekend lockdown. 86700 persons in rural areas and 82000 employees in urban areas are working in this campaign. The Chief Minister himself monitored this campaign.

TELE CONSULTATION

Tele consultation facility has been provided for non covid patients. District wise panel of experts has been set up for this purpose. This panel includes doctors of all streams. The number, time and expertise of the doctors are being circulated.

AYUSH KIT

After directions of Chief Minister Yogi Adityanath, the Ayush department of state approached 23 lakh people during covid period. Free of cost Ayush kit was distributed to around 20 lakh people by the department. Apart from it more than three lakh people associated and took tips on social media platforms and from Ayush kavach app.

SANITIZER PROCUREMENT

97 sugar Mills and other units of a state procured around 3 crore lliter sanitizer during the second wave of covid. The sanitizer procured in sugar mills of Uttar Pradesh is not being supplied across the state but also to the other parts of country.

TRANSPORT SERVICE

Likewise during the first wave of Corona, in the second wave also migrants and daily passengers were transported to their destination through more than 10 thousand buses of the Transport Corporation. These buses run after sanitization and with strict adherence to covid protocol. 55 thousand employees including station master and other category employees were deputed for this purpose on bus stations.

SHIELD OF COVID VACCINATION INFRONT OF EPIDEMIC

Vaccination is the security cover from coronavirus. This security cover will be provided to every citizen of the state. Mr Yogi Adityanath has reiterated this on various occasions. This statement clearly states how important vaccination is in his government's policy. Perhaps this is the same dedication which has made vaccination a mega event in Uttar Pradesh. On an average more than 3 lakh people are being provided the cover of vaccination per day from 1 June. Within hours after Central Government's permission regarding vaccination of the people aged between 18 to 44 years, Chief Minister Yogi Adityanath announced that from 1st May the vaccination for the said age group will start in Uttar Pradesh and it started from the decided date also. Today vaccination is going on smoothly across the state. Not just that special booths have been made for media, judiciary, Government employees and other categories and the parents of children aged below 12 years are getting vaccinated at special booths. UP is in first place in administering the maximum number of vaccines. Government is providing vaccines for people aged above 18 years.

FOCUS ON RURAL AREAS

Chief Minister Yogi Adityanath launched the free vaccination campaign from 1st June In state to provide covid security cover to people aged between 18 to 44 years. The Chief Minister set the target to inoculate a total of 1 crore people during June month. For this purpose four workplace vaccination centers were opened in every district. Two special vaccination centres were also set up in every district for parents whose children are less than 12 years old. Vaccination was made available at more than 8000 centres in the state. The Yogi government achieved the target of 1 crore vaccination decided under the 'Mission June' 6 days early i.e. on 24 June only. Special vaccination campaign running under the supervision of Chief Minister Yogi Adityanath is getting grand success across the state. Yogi has set the target to provide security cover of vaccines to 10 crore people in the next 3 months. To achieve this target Chief Minister Yogi has written letters to all 58758 gram pradhans of the state and asked for their help in the vaccination drive. In this letter chief minister has requested all pradhan to motivate and encourage people for vaccination and also remove their doubts regarding it.

> **The Government of India has taken a big decision to provide free vaccine to all citizens above the age of 18 years from June 21, 2021, for which Chief Minister Yogi Adityanath has expressed gratitude to the Honorable Prime Minister Narendra Modi.**

Yogi government has given responsibility to village panchayat officers, Village development officers, village Pradhans, sakhi groups anganbadi workers, asha workers and local frontline workers for maximum vaccination of rural population. Guideline of health ministry says that for vaccination one needs to have identity card but Yogi Government has given directions that if anyone doesn't have any identity card he or she will not be denied vaccination. For this purpose a task force has been constituted in

- **Uttar Pradesh is the first state to launch a free covid vaccination campaign for people aged between 18 to 44 years.**
- **UP is number one in covid vaccination.**
- **Vaccination is available in more than 8000 centers in the state.**
- **UP has made special arrangements for vaccination of those who don't have any identification card.**

every districts who identifies such persons who don't have any identity card with the help of nodal officers. Officer has deputed facilitators for identification of different groups. These facilitators are identifying the beneficiaries.

PRAISES FROM WORLD HEALTH ORGANIZATION

The World Health Organization praised the policy adopted by the Yogi Government to keep the villages safe from covid pandemic. At the time of launching this special campaign chief minister has said that we have to make strong arrangements to save villages from covid infection. In this situation an elaborate campaign of covid testing should be launched in all 97941 revenue villages of the state. This will be a unique and elaborate testing drive of its own kind in the country. This vast testing campaign was launched from 5th of May under which 4 lakh members of 73441 supervision committee used to go door to door and conduct the screening. If any symptomatic patient was found during this exercise then immediately a rapid response team was contacted for testing and home isolation or institutional Quarantine was recommended as per the requirement. Medical kits were provided to patients and their family members. After 9th May the campaign was reviewed and it was found that 68% villages were unaffected from infection. The campaign continued but this report became crucial in deciding the strategy in the coming days. Infact Wonderful work has been done in terms of tracing and surveillance in Uttar Pradesh. Chief Minister Yogi Adityanath said that to break the chain of covid, improvement in contact tracing and surveillance is a must. During the whole covid period chief minister assessed the district wise contact racing report daily. Directions were given to the concerned districts to increase their activities on the basis of reports and monitoring was done. In maximum districts 15 to 20 contact tracing was done after confirmation of one covid positive patient. This reduced the spread of infection gradually. In the same way surveillance teams kept an eye over each house in villages. 18 crore people have been contacted till date in Uttar Pradesh which has a population of around 24 crore.

UTTAR PRADESH NUMERO UNO IN CORONA TESTING

COVID-19 - □ + ☑
STERILE

- Last year only 72 tests were conducted in the lab of KGMU on 23rd march just one day before Prime Minister Narendra Modi announced nationwide lockdown from 24th March. Only Screening facility was available regarding covid disease in Banaras Hindu University BHU.

- Under the supervision of Chief Minister Yogi within 2 weeks, covid testing of more than 5000 samples daily was started in SGPGI Lucknow Meerut medical College Saifai rural medical sciences institute, medical colleges of Gorakhpur and Jhansi and 3 other hospitals.

- Presently a total of 390 testing labs are working for the testing of covid infection in Uttar Pradesh. Out of these 258 are Government owned and 132 are private sector. UP has conducted more than 6 crore covid tests which is very high compared to the tests conducted in any other state in the country.

- All labs in Uttar Pradesh were established after recommendation of ICMR. Special attention is being paid for database management and quality of the covid tests. King George medical University Lucknow is doing quality control of all covid labs.

- Medical health department along with KGMU has prepared software in which every covid lab uploads the results of their sample on covid portal. This portal is now connected to the website of Indian council for medical Research ICMR.

- An external quality assurance program has been prepared for the training of covid testing. With the help of this program, more than 1000 doctors, para medical staff and sanitation workers in stare have been provided online training for the protocol of covid testing.

- With inauguration of new BSL-2 Labs in 11 more districts, as many as 45 districts have been equipped with Testing Facilities. Chief Minister Yogi Adityanath has directed to complete the procedure of establishing the same kind of laboratories in the remaining 30 districts of the state within the next 3 or 4 months.

- For the intense study and testing of corona virus the facility of genome sequencing is being increased in state. The process of genome sequencing is being augmented with the help of BHU Varanasi, KGMU Lucknow, CDRI and IGIB Delhi. This will help in management of prevention from delta plus variant.

CHIEF MINISTER YOGI BECAME SUPPORT OF COVID ORPHANED CHILDREN

The Yogi government has started working on implementation of Mukhymantri Bal seva Yojana at ground level after it was approved by the cabinet. The scheme is meant for the children who lost either both their parents or one of them in covid period which will be counted from March 2020. Responsibility has been fixed of the officials who will implement this scheme to the ground level in the districts and do listing of children and terms of eligibility. The motto of the scheme is to provide immediate help to the children in distress and save them from going into the wrong hands. The scheme takes complete care of the health, education and maintenance of the children. District level task force will identify the legal guardian of the beneficiary and the district level child care unit and child welfare committee will also keep an eye over the overall development of the children. Only original bonafide citizens of Uttar Pradesh will get the benefit of this scheme. All children whether they are biological or adopted, of any single family can take the benefit (Maintenance allowance of Rs.4000 per month) of the scheme. The categories of the children who will get the benefit of the Mukhymantri Bal Seva Yojana has been decided. The scheme will be available for those children aged up to 18 years whose both mother and father have died in the pandemic or those children whose mother or father had died before 1 March 2020 and the other remaining parent mother or father died in covid period or those children whose both parents had died before 1 March 2020 and the legal guardian died during covid period. Those children will also get the benefit of the scheme who are aged up to 18 years and one of their parents whether mother or father died during covid period and the person who died was the main earner of the family and the other parent which is currently alive but his or her earnings along with the total income of the family is not more than 2 lakh rupees form year.

PICU/NICU WILL SAVE FROM THE THIRD WAVE OF CORONA

Gorakhpur Medical College

Experts are saying that the impending third wave of covid be more sensitive towards children. Keeping in mind these apprehensions the government under the leadership of Chief Minister Yogi Adityanath has started preparations on war footing to save children from any such kind of impending wave. Just after reaching at the helm of affairs in March 2017, Chief Minister Yogi Adityanath started his efforts on war footing to stop the untimely death of children from encephalitis. Infrastructure of health services were strengthened at PHC primary health centers and CHC community health centers keeping in mind the encephalitis disease. Special awareness campaign regarding cleanliness and hygiene was launched in three dozen sensitive districts of eastern Uttar Pradesh for containment of the disease. The result is that encephalitis is almost on the verge of ending in these districts. Now the experience gained during the elimination of encephalitis is being used by the Yogi Government to save the children from Corona. The pediatric intensive care unit (PICU) / Neonatal Intensive Care Unit (NICU) project, which played an important role during control of encephalitis is now implemented across the state to save the children from covid. Chief Minister Yogi Adityanath has directed to prepare 100 bedded ICU for children in all medical colleges of state. The Chief Minister has asked to set up 100 bedded ICU at every division level and 25 bedded ICU at district hospitals. Along with it directions have been given to officers for arrangement of necessary and skilled human resources in a certain time period. The doctors of Baba Raghav Das medical College Gorakhpur and King George medical University Lucknow who have an experience of four decades in saving the children from

deadly disease encephalitis will impart training to other doctors and paramedical staff of the state for operating the PICU. It should be kept in mind that more than 95% decrease has been registered in the deaths of children from encephalitis, which was taking lives of children in around 3 dozen districts of states especially in all districts of Gorakhpur and basti division from the last four decades.

SUB HEALTH CENTERS WILL STRENGTHEN THE HEALTH FACILITIES

For providing quality health facilities swiftly to every person in view of the probable third wave of Corona, the Yogi Government has made a big announcement. After 18 divisions and 75 districts, the government is going to open 5,000 new sub health centers in 822 blocks of state in the month of July. The Uttar Pradesh government is making this big move to provide facilities to every person at block level. Sub health centers will be established in those areas of state where there is no community health centre and primary health centre. Any patient will get immediate treatment at these sub health centers. Serious Patients will also get all the facilities to conduct necessary tests at these centers. 20812 sub health centers are already running in Uttar Pradesh and from July month 5,000 new sub health centers will be established. The Yogi government has set the target to increase the number of these centers in the state to 32 thousand. After the opening of 5,000 new sub health centers the number of these centers in the state will reach 25812. With the expansion of these health centers people will get better medical facilities easily. Directions have been issued to strengthen all the arrangements at community health centres and primary health centers in all districts of state so that people can get better health facilities. Emphasis is being given on availability of high tech medical equipment in 3022 primary health centers, 855 community health centers and 592 urban primary health centers. The work is on fast track for maintenance of equipment, activities, cleanliness, availability of manpower and painting of the premises. Responsibility of its continuous monitoring has been given to officers.

SUCCESS IN NEUTRALIZING THE THIRD WAVE OF COVID

LIFE SUPPORT AMBULANCE

Teams comprising more than 23 thousand Emergency medical technicians and pilots are working 24/7 in 108, 102 and advanced life support ambulances to fight with the probable third wave of Corona National mobile unit170 National mobile medical units working in 53 districts of state have been alerted. A senior doctor along with a pharmacist, one lab technician and a staff nurse always remain available in this unit.

OXYGEN PLANT

Before the covid pandemic there were 25 oxygen plants in the state. Now the number has been increased to 541. Out of these 162 plants are ready now and the availability currently is of 1000 metric ton oxygen which is way ahead of the demand in the state.

HEALTH ATM

Health ATMs will be established in villages, small towns and urban areas in order to provide better health facilities to the citizens of the state. In these ATM's health of the people will be tested on different parameters with the help of high tech machines.

GOLDEN CARD

Golden cards will be made available to all antyodaya card holders under Ayushman Bharat scheme. Treatment of kidney transplant, corneal transplant and mucormycosis black fungus will be included in the package under the scheme.

CLEAN DRINKING WATER

To provide clean drinking water to the citizens of the state Yogi government has repaired 629 water palms out of 11589 water pumps in all municipal corporations. While 71 hand pumps out of 428 have been rebored and made functional.

FOCUS ON NUTRITION

For improvement of the health of malnourished children under the age of five in the state, a special campaign is being launched from 1st July to 30th September by the department of integrated child development services ICDS. This initiative is being taken to eliminate malnourishment in children and mothers.

DISASTER EXPERTS

The Yogi government has decided to appoint disaster experts on contract basis in 62 districts of state to deal with any kind of disaster. They will get a remuneration of 50 thousand rupees per month. All those experts who were working in 13 districts of state have been given an extension of one year service.

U.P. IS BECOMING EXPRESS PRADESH

August month of year 2021 will usher in new era of development in Uttar Pradesh when country's longest Puravanchal expressway will be inaugurated. It has been decided to inaugurate this expressway in August which is being constructed by UPEIDA, Uttar Pradesh industrial expressways development authority under the directions of Chief Minister Yogi Adityanath. Purvanchal expressway will give impetus to development in eastern districts of Uttar Pradesh. The 341 km long six lane (expendable to 8 lane) Poorvanchal expressway from Haidariya in Ghazipur to Chand Sarai in Lucknow has been constructed by Yogi Adityanath for the development of eastern part of state and to connect the state capital Lucknow with the cities like Sultanpur, Ambedkar Nagar, Amethi, Ayodhya and economically backward districts like Azamgarh, Mau and Ghazipur. The Purvanchal expressway starts from village Chand Sarai in district Lucknow which is on Lucknow Sultanpur road (NH 731) and ends at 18 km before UP-Bihar border at it National Highway number 31. It will benefit districts like Lucknow Barabanki Amethi Ayodhya Sultanpur Ambedkar Nagar Azamgarh Mau and Ghazipur. With the development of this expressway the eastern region of the state would not only be connected to the state Capital but also further to the national capital through easy and smooth corridor of Agra Lucknow expressway and Yamuna expressway. Prime Minister Narendra Modi started the Purvanchal expressway project from Azamgarh on 14 July 2018.

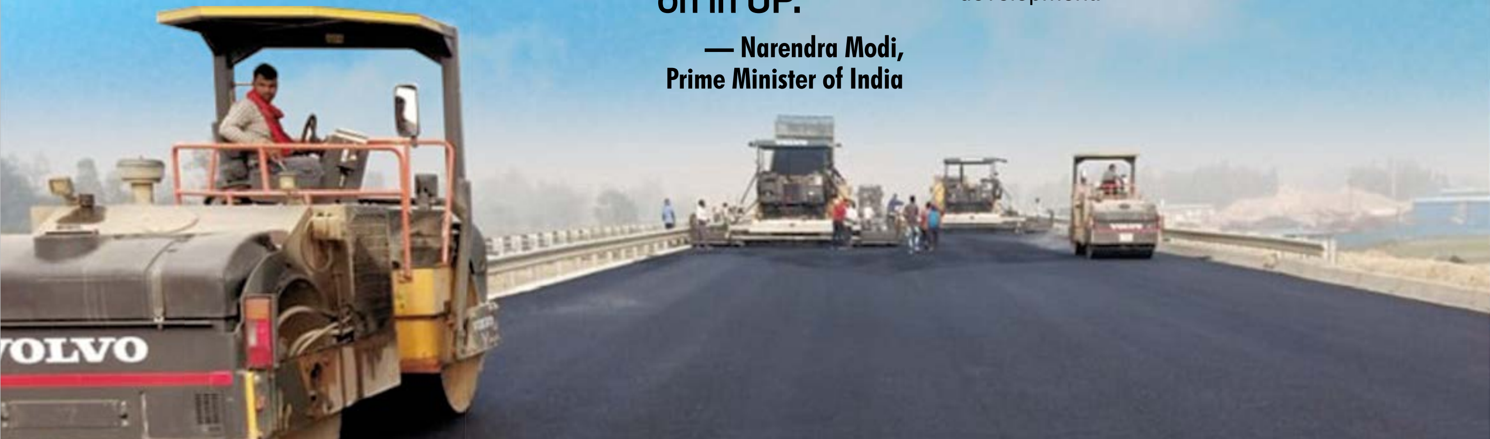
> “Today Identity of Uttar Pradesh is getting stronger as express Pradesh. Work on 5 mega projects of connectivity worth thousands crore rupees is going on in UP.”
>
> **— Narendra Modi,**
> **Prime Minister of India**

AN EXPRESSWAY WITH MANY SPECIALITIES

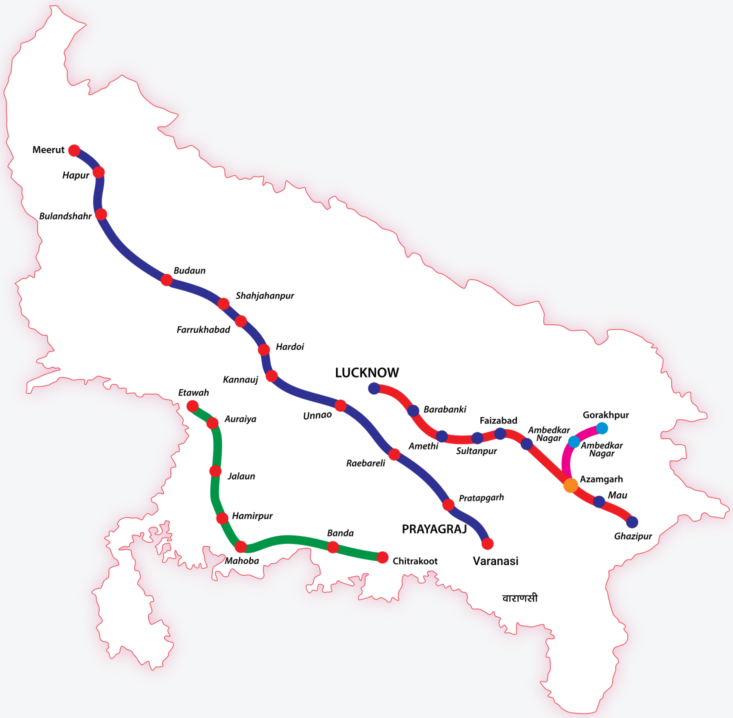
The Purvanchal expressway has many special features. Instead of stones being laid on either side of the road Purvanchal expressway has honeycomb shaped geocells on both sides of road. To strengthen the quality of roads crumb rubber modified bitumen was used instead of ordinary bitumen in this expressway. To prevent the accidents crush barriers have been installed on both sides of the median on this expressway.

EXPRESSWAY PARALLEL TO GANGA

The process of land purchase has been started from January 21 for Ganga expressway for 594 km long Ganga expressway which is longer even then the Purvanchal expressway. The cabinet under the leadership of Chief Minister Yogi Adityanath approved the Ganga expressway project on 24th November 2020. Yogi government has set the target to lay the foundation stone of Ganga expressway in June. This expressway will pave way for smooth travel from Haridwar to Varanasi through prayagraj on parallel to river Ganga which will attract development.



EXPRESSWAY NETWORK IS SPREADING IN UTTAR PRADESH



🟥 **PURVANCHAL EXPRESSWAY**
🟩 **BUNDELKHAND EXPRESSWAY**
🟪 **GORAKHPUR LINK EXPRESSWAY**
🟦 **GANGA EXPRESSWAY**

BETTER CONNECTIVITY FOR BETTER FUTURE

FOUR LANE ROAD

19 km long four lane bypass will be constructed with an amount of 200 crore rupees in Saharanpur. Yogi cabinet has approved construction of 7.2 km long four lane road from Yamuna expressway to Vrindavan.

GAURAV PATH

Construction of 133 roads to the houses of brilliant students and repair and development of old roads and naming them Dr APJ Abdul Kalam Gaurav path. Road construction on the name of players who have made the country proud.

BRIDGE CONSTRUCTION

In Uttar Pradesh 102 big bridges, 41 rail over bridges and 264 small bridges have been constructed in last four and half years. Construction work is in progress on 91 railway over bridges and 629 small bridges out of which the approach road to 264 small bridges is complete.

AIR CONNECTIVITY

First time civil aviation promotion policy 2017 has been implemented in state. Under it permission has been granted for Air services on 18 new routes in Uttar Pradesh for better air connectivity between state capital Lucknow and other big cities.

AIRPORT

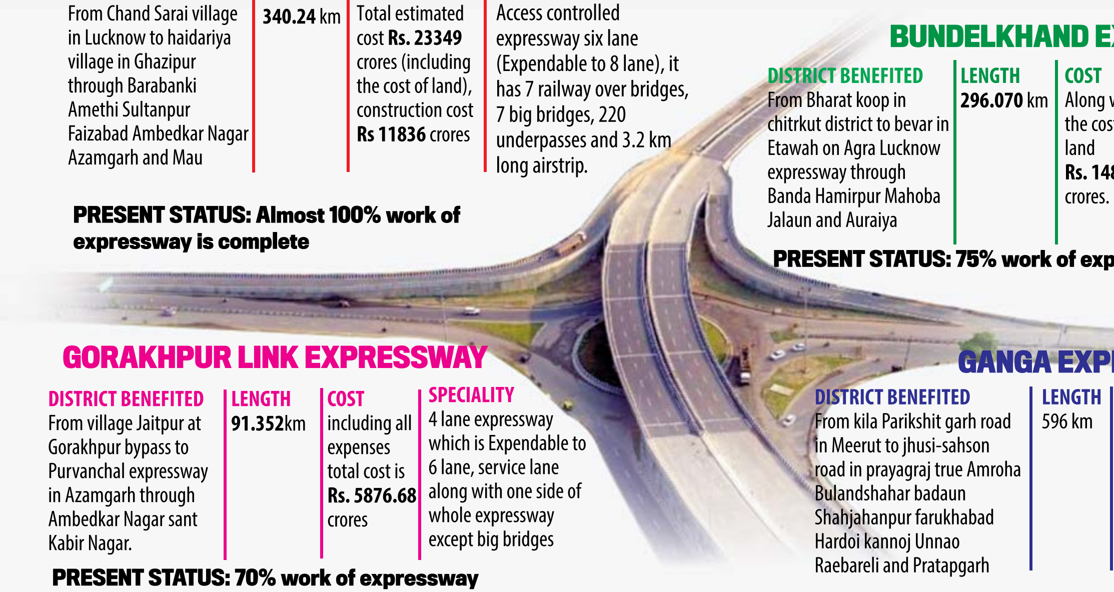
Uttar Pradesh will have maximum number of five international airports in the country. Permission for international flights on the third Kushinagar airport of Uttar Pradesh has been granted. International flights will start from Ayodhya till 2022 and from jevar till 2024.

ROAD CONSTRUCTION

In the Yogi government 14935 km long new roads have been constructed till date while expansion and repair work was done on 14160 km along roads. 339698 km long roads in state have been made potholes free.

METRO SERVICES

Construction work underway on 32.4 km long corridor of Kanpur metro rail project worth 11076 crore rupees. Metro construction work with an estimated cost of 3380 crore rupees in Agra has started. Work of Metro Rail project started in 10 metro cities



PURVANCHAL EXPRESSWAY

DISTRICTS BENEFITED	LENGTH	COST	SPECIALITY
From Chand Sarai village in Lucknow to haidariya village in Ghazipur through Barabanki Amethi Sultanpur Faizabad Ambedkar Nagar Azamgarh and Mau	**340.24** km	Total estimated cost **Rs. 23349** crores (including the cost of land), construction cost **Rs 11836** crores	Access controlled expressway six lane (Expendable to 8 lane), it has 7 railway over bridges, 7 big bridges, 220 underpasses and 3.2 km long airstrip.

PRESENT STATUS: Almost 100% work of expressway is complete

BUNDELKHAND EXPRESSWAY

DISTRICT BENEFITED	LENGTH	COST	SPECIALITY
From Bharat koop in chitrkut district to bevar in Etawah on Agra Lucknow expressway through Banda Hamirpur Mahoba Jalaun and Auraiya	**296.070** km	Along with the cost of land **Rs. 14849** crores.	Access controlled expressway 4 lane (Expendable to 6 lane), service lane along with one side of whole expressway

PRESENT STATUS: 75% work of expressway is complete.

GORAKHPUR LINK EXPRESSWAY

DISTRICT BENEFITED	LENGTH	COST	SPECIALITY
From village Jaitpur at Gorakhpur bypass to Purvanchal expressway in Azamgarh through Ambedkar Nagar sant Kabir Nagar.	**91.352**km	including all expenses total cost is **Rs. 5876.68** crores	4 lane expressway which is Expendable to 6 lane, service lane along with one side of whole expressway except big bridges

PRESENT STATUS: 70% work of expressway construction is complete.

GANGA EXPRESSWAY

DISTRICT BENEFITED	LENGTH	COST	SPECIALLITY
From kila Parikshit garh road in Meerut to jhusi-sahson road in prayagraj true Amroha Bulandshahar badaun Shahjahanpur farukhabad Hardoi kannoj Unnao Raebareli and Pratapgarh	596 km	The estimated cost of expressway is **Rs.36402** crore	The longest Greenfield expressway of country. six lane (Expendable to 8 lane),

PRESENT STATUS: Process of land purchase for the project continue

नारी सम्मान
नारी स्वावलंबन
अन्तर्राष्ट्रीय महिला दिवस
के अवसर पर
मिशन शक्ति अभियान के अन्तर्गत

YOGI GOVERNMENT SETTING EXAMPLE OF WOMEN EMPOWERMENT

Any region or society can only develop when half of its population not only feels safe but also gets the respect which it deserves. With the same intention, just after assuming power in March 2017 Chief Minister Yogi Adityanath started his sincere efforts for the security of women and daughters of state and to make them independent. Just after becoming CM of Uttar Pradesh, Yogi Adityanath launched the campaign to stop the crime against women. It began with the formation of the Anti Romeo squad and Mission Shakti added new dimensions to women empowerment. By providing economic help in marriage of daughters of poor families, triple talaq victims along with rehabilitation for destitute Hindu women, Yogi Adityanath has made it clear how sensitive his government is for women

COMMITTED FOR DIGNITY OF WOMEN

Chief Minister Yogi Adityanath is committed for the safety, dignity and for the self dependence of women and daughters of state. Government has taken many steps for the upliftment, and empowerment of women and daughters and to connect them with the mainstream of employment. Two major schemes Mukhymantri Mahila Samarthya Yojana and Mukhymantri Saksham Suposhan Yojana have been launched by the Yogi Adityanath government to augment the empowerment of Women and daughters for Atmnirbhar or Self reliant Uttar Pradesh. Women entrepreneurs will be directly benefited from the Mukhymantri Mahila Samarthya Yojana which has been started with an aim to make the women of state independent. The aim of this scheme is to make the women of state capable and self reliant. To uplift their lifestyle this scheme also aims to motivate women for employment through cottage and small industries which are based on local resources. It also aims to provide a market for such products. Currently more than 90 lakh micro small and medium level units are functional in the state, out of which more than 90% are functioning as very small and cottage industries. Women entrepreneurs play an important role in the small scale and cottage industries. Mukhymantri mahila Samarth scheme will give new flight and direction to these women based industries. For implementation of this new scheme 200 crore rupees have been allocated in the budget.

PAVED WAY FOR SELF RELIANCE OF WOMEN

Started by the Yogi Government with the motto to make half of the population self-reliant, the BC sakhi scheme has started giving benefits to women in rural areas. Under the scheme which is unique in the country, 58758 rural women of 75 districts are being trained as banking correspondent BC. Under this flagship scheme of the Yogi Government, women groups were given a better opportunity of employment by appointing as banking correspondent Sakhi I.e. BC sakhi.

From January this year training programme of rural women has started in all 75 districts of state. In every district group of 30 women have formed and they are getting training. This training is being imparted by rural self employment institute. The woman getting training under the BC Sakhi scheme in the state are taking the charge at ground level in villages.

WOMEN POWER IN PANCHAYATS

The women empowerment programs launched by State Government Resulted in the increased hold of women in panchayats. Now women have given responsibility from village Pradhan to district panchayat chief. Because of the changed environment this time 31212 women won elections on the post of Gram Pradhan while 447 on Block chief and 42 won on District Panchayat Chief post. This is an excellent initiative to strengthen the village democracy and harmony. This must be kept in mind that there is one third reservation for women in panchayats in state but now their presence exceeded their reserved quota at all small and big posts. This is the first time in the history of Uttar Pradesh that such a big number of women have got victory in the panchayat elections.

EMPLOYMENT DURING LOCK DOWN

Last April when a feeling of insecurity was everywhere due to the global pandemic covid-19, Yogi government

started giving training to women to become independent by stitching masks under Uttar Pradesh state rural livelihood mission. In this fight, the stitching machines, clothes, needle and thread became the weapons of 400 women of sisai village in Sadar block of Balrampur district who formed a group and took training from livelihood mission. Within three months these women made a profit of 2387376 rupees by stitching 132632 masks. Self-help groups have played an important role in making lakhs of women self-reliant during the Corona pandemic. Around 4.2 to lakh women self help groups have benefited almost 45 lakh families in the state. Chief Minister Yogi Adityanath has also encouraged Uttar Pradesh state livelihood mission for strengthening the rural economy. Chief minister has online transferred an amount of 445.92 crore rupees to 97663 self help groups and their associate organizations under the mission. This huge amount has changed the lifestyle of lakhs of women and their families who are associated with their self help groups. Under the state rural livelihood mission employment was provided to 880500 rural women during the Corona pandemic.

DESTITUTE WOMEN GOING BACK TO THEIR HOMES

While on one hand Chief Minister Yogi Adityanath is raising voice of women and children under mission Shakti, on the other hand he is expanding the new schemes by adding more facilities for the overall development of women and children of state.The Yogi government which is working continuously in the area of children rights and their health and education is same time expanding the facilities for destitute women and constructing new children's shelter homes along with making arrangements to provide digital education there. Destitute children in the state are getting benefits of the welfare scheme, foster care and sponsorship. State government is working rapidly for providing facilities to the destitute children under 'Integrated Child Protection Scheme' and also making them aware about their rights. In the previous year 961 destitute children were sent back to their homes while 2822 destitute women have been sent to their homes after following the legal procedure.

मिशन शक्ति
नारी सुरक्षा
नारी सम्मान
नारी स्वावलंबन

EMPOWERMENT TO WOMEN, MISSION OF YOGI GOVERNMENT

- Government jobs to more than 1 lakh women in Yogi Government. More than 2 lakh women beneficiaries under PM swanidhi scheme which is highest in the country.
- Distribution of rural housing documents to more than 2 Lakh people till date under Swamitva Yojana (Gharaoni) started by Yogi Government. The Gharauni is issued in the name of women members of the family.
- Marriage of 1 lakh 52 thousand girls under Mukhymantri Samuhik Vivah Yojana. Financial assistance has been increased from 35 thousand rupees to 50 thousand rupees.
- Free of cost gas connections distributed to more than 1 crore 47 lakh poor women under Pradhanmantri Ujjwala Yojna, which is highest in the country.
- Abolished age limitation under Destitute women pension, 28 lakh destitute women got 500 rupees per month pension while vidhwa pension given to more than 21 lakh women.
- Shabri Sankalp abhiyan is running in 39 districts. arrangement of fortified food material for 3 to 5 years children. decrease of 2% in malnutrition
- One stop centre established in all districts for victims of domestic violence. Till date 104859 women got help from the centres.
- Financial assistance of 75 thousand rupees for marriage of maximum two girl children of Registered construction labourers. Till now 28951 beneficiaries.
- Provision of rights on the land under Revenue code for granddaughter, daughter of real brother and daughter of real sister also
- 7.30 crore women were made aware under Mission Shakti Campaign which is for making women self-reliant and aware. Women help desk on all 1535 police stations.
- Godbharai and Annaprashan programs at anganbadi centres are being organised. Till now 970065 programs have been organised. State has 189789 approved anganbadi centres.
- Formation of more than 10 lakh women self help groups and association of more than 1 crore women with it. Participation in making of school dresses to distribution of ration.

निष्पक्ष एवं पारदर्शी भर्ती
प्रक्रिया के अंतर्गत
उत्तर प्रदेश पुलिस भर्ती एवं प्रोन्नति बोर्ड द्वारा
जेल वार्डर (पुरुष) जेल वार्डर (महिला), फायरमैन एवं घुड़सवार पुलिस के पद पर चयनित
805 अभ्यर्थियों
को
युक्ति-पत्र वितरण
आदित्यनाथ
मंत्री, उत्तर प्रदेश द्वारा

EVERY GOVERNMENT APPOINTMENT BECAME EXAMPLE OF TRANSPARENCY IN YOGI GOVERNMENT

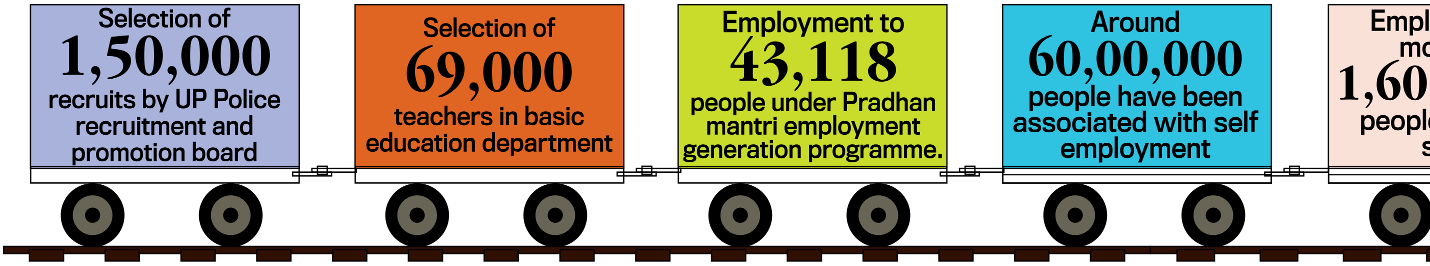
Under strict supervision of Chief Minister Yogi Adityanath every appointment to government posts in Uttar Pradesh has become an example of honesty, transparency and flawlessness. Before 2017, it was the same state where the recruitment process was infamous for corruption, nepotism and bribing to the 'family giants'. On the other hand now no finger can be raised on the appointments on more than 4.25 lakh posts. This is the new work culture of the new Uttar Pradesh of new India. In the Yogi Government there is no space for corruption and the talent gets its due respect. It was not easy to complete the recruitment of more than 1.5 lakh employees alone in the police department where some people are only involved in blocking the recruitment process. Apart from the government sector private investment also provided self reliance to the youth. The Yogi government completed the much-awaited citizen's wish of 'rule of law'. A practical change is being seen in every sector of state in these 4 years. Youths were selected for more than 4.25 lakh government Posts with complete honesty and flawlessness. The Yogi government not only selected the candidates for jobs in a transparent manner but also encouraged employees by making the procedure of promotion time bound.

CHANGING FACE OF PUBLIC SERVICE COMMISSION

The provincial civil service exam of Uttar Pradesh public service commission is the most important exam of the state. The commission announced the final result of PCS 2018 exam on 11th September. This exam was special in many ways. After a Long time selections were made on 119 posts of sub divisional magistrate and 94 posts of deputy SP through this exam. First time in the last 10 years, selection in such a big number was done on these SDM and deputy SP posts. Another important thing was that the commission conducted this exam during the lockdown due to covid infection. When Yogi Adityanath became the Chief Minister one of the biggest challenges in front of him was to bring the examinations of UPPSC back on the track which was then infamous for anomalies in recruitment process during opposition rule. The Chief Minister started his efforts and now the commission announces its examination calendar in the very starting of the year to avoid any kind of anomaly.

EXAMINATION COMPLETED IN RECORD 4 DAYS

The Commission implemented the rule of conducting the main examination of PCS 2018 on the lines of the union public service commission. First time the PCS mains exam of UPPSC was conducted only in 4 days between 18th and 22nd October 2019. Earlier it used to take 18 to 20 days. In the changed pattern the alternate subject in the main examination was reduced from 2 to 1. Earlier there were two papers of general knowledge which were increased to 4 this time. The objective exam of general studies became subjective in the main examination of PCS 2018. Earlier there were allegations of giving marks in abundance in PCS examinations. So to decrease the importance of interview in PCS exam commission reduced the total number from 200 to 100 and this increased transparency in the



Selection of
1,50,000
recruits by UP Police recruitment and promotion board

Selection of
69,000
teachers in basic education department

Employment to
43,118
people under Pradhan mantri employment generation programme.

Around
60,00,000
people have been associated with self employment

Empl
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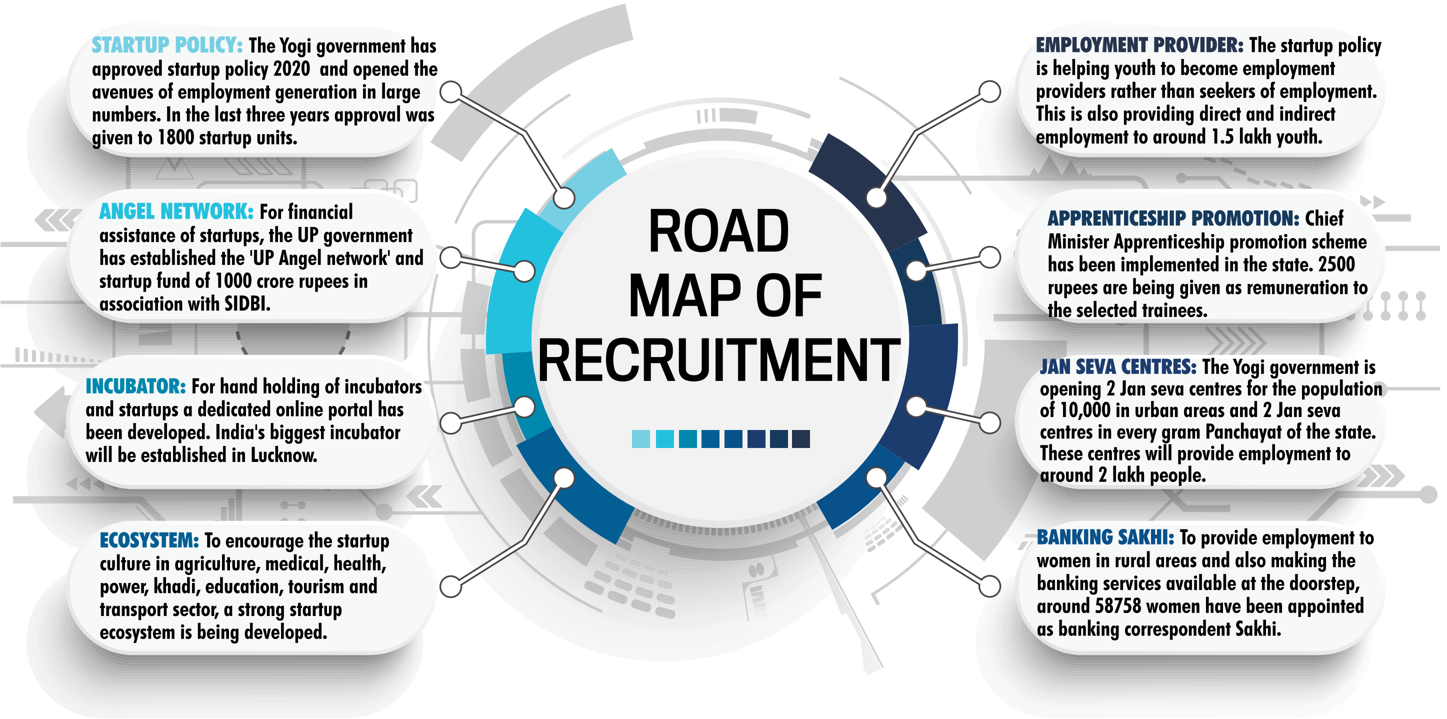


ROAD MAP OF RECRUITMENT

STARTUP POLICY: The Yogi government has approved startup policy 2020 and opened the avenues of employment generation in large numbers. In the last three years approval was given to 1800 startup units.

ANGEL NETWORK: For financial assistance of startups, the UP government has established the 'UP Angel network' and startup fund of 1000 crore rupees in association with SIDBI.

INCUBATOR: For hand holding of incubators and startups a dedicated online portal has been developed. India's biggest incubator will be established in Lucknow.

ECOSYSTEM: To encourage the startup culture in agriculture, medical, health, power, khadi, education, tourism and transport sector, a strong startup ecosystem is being developed.

EMPLOYMENT PROVIDER: The startup policy is helping youth to become employment providers rather than seekers of employment. This is also providing direct and indirect employment to around 1.5 lakh youth.

APPRENTICESHIP PROMOTION: Chief Minister Apprenticeship promotion scheme has been implemented in the state. 2500 rupees are being given as remuneration to the selected trainees.

JAN SEVA CENTRES: The Yogi government is opening 2 Jan seva centres for the population of 10,000 in urban areas and 2 Jan seva centres in every gram Panchayat of the state. These centres will provide employment to around 2 lakh people.

BANKING SAKHI: To provide employment to women in rural areas and also making the banking services available at the doorstep, around 58758 women have been appointed as banking correspondent Sakhi.

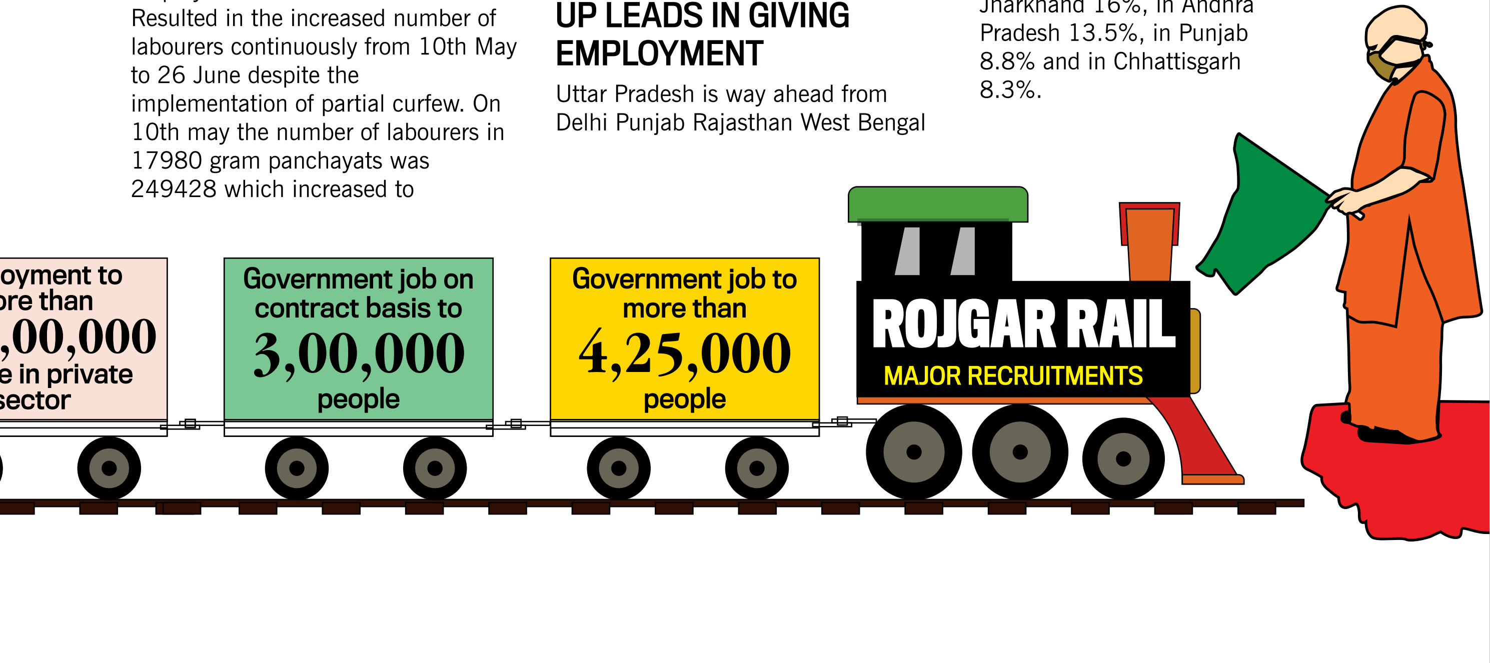
selection procedure.

RECORD NUMBER OF EMPLOYMENT TO MIGRANT WORKERS

Chief Minister Yogi ordered for skill mapping of the migrant workers who were coming from other states after announcement of lockdown. Along with it he also directed to increase the working days in MGNREGA to provide employment to the labourers. This Resulted in the increased number of labourers continuously from 10th May to 26 June despite the implementation of partial curfew. On 10th may the number of labourers in 17980 gram panchayats was 249428 which increased to 1345151 in 53099 gram panchayats on 5th June. After that it further increased to 1408615 in 52818 gram panchayats on 6th June. During this period more than 2 crore employment days were generated against which 448 crore rupees were given as payment to 11 lakh 60 thousand labourers. During covid period MGNREGA provides employment to 50 to 60 thousand people on an average.

UP LEADS IN GIVING EMPLOYMENT

Uttar Pradesh is way ahead from Delhi Punjab Rajasthan West Bengal Kerala and Tamilnadu in terms of providing employment. As per the centre and monitoring Indian economy the unemployment rate in Uttar Pradesh is 6.9. this is 3 times less in comparison of March 2017. According to the report the unemployment rate in Delhi is 45.6 %, in Rajasthan it is 27.6%, in Kerala 23.5%, in West Bengal 19.3 percent, in Tamilnadu 28%, in Jharkhand 16%, in Andhra Pradesh 13.5%, in Punjab 8.8% and in Chhattisgarh 8.3%.



PUBLIC GOT THE SECURITY SHIELD OF YOGI ADITYANATH GOVERNMENT

In comparison to 2016 the number of cases of dacoity in 2020 reduced by 67.69%, cases of loot by 66%, murder by 25.70 percent, riot by 29.75%, road hold up 100%, extortion by kidnapping 41.51% and rape cases by 32.24%

After becoming the chief minister of Uttar Pradesh in March 2017 Yogi Adityanath started efforts for improvement in the law and order of the state. CM Yogi started appointing additional director general rank officers in zones and inspector general rank officers in ranges. Along with it, after receiving good results by implementing a police commissioner system in **Noida** and **Lucknow** Chief Minister Yogi Adityanath implemented a police commissioner system in **Varanasi** and **Kanpur** also and gave the message of strict action against criminals. Just after becoming Chief Minister Yogi Adityanath said that criminals will either leave Uttar Pradesh or leave crime. After that Uttar Pradesh Police started a campaign to nabb the criminals. List of dreaded criminals was prepared in every district and a special police team was formed to catch them. In the last four and half years 137 criminals were killed during encounters while 2782 criminals got injured, 36990 accused were arrested under gangster act and 523 accused were booked under national security act. In these operations 13 police personnel also laid down their lives. It is the result of strict action against criminals by the police that in the last 4 and half years 11000 wanted criminals have been arrested.

CRIMINAL'S PROPERTY ATTACHED

The Yogi government has hit hard on the economic front of criminals by attaching their properties. That is why criminals now fear the law. Between January 2020 to May 2021 UP police has taken continuous actions against 25 Mafia and 8 dreaded criminals and has either attached their property worth more than 1128 crores or demolished their illegal construction. From January 2020 to April 2021 around 5558 cases have been lodged and action was taken against 22259 criminals. The Yogi government also took the historic decision to recover the penalty for damage of government property from those persons who damaged the government property during agitations against CAA. Along with the action on criminal Chief Minister Yogi has also given orders to officers to provide required security to the witnesses. After directions from the Chief Minister, the home department issued an order to all police officers to strictly implement the 'Sakshi Suraksha Yojana 2018'. Home department is reviewing this scheme every month.

FORMATION OF SPECIAL SECURITY FORCE

For the security of major institutions of state along with metro stations, district courts and high courts Yogi Government has formed Uttar Pradesh special security force (UPSSF). Apart from it, a special police operation team (SPOT) has also been constituted for curbing the terrorist activities in the state. Modus operandi bureau has been formed to understand the mindset of criminals involved in serious crimes like murder loot dacoity and also to find the ways to prevent such criminal activities. The supervision work of this bureau has been given to adg technical services. SP state crime records bureau is its in-charge. To save the information regarding the criminals and provide this information to every officer, 'Trinetra app' has been developed which is connected with centralised online criminal database.

FORMATION OF NEW POLICE STATIONS

Policing facilities have increased exponentially in the four and half years tenure of the yogi government and common people are getting its benefit. FIR counters have been formed in the superintendent of police offices in every district. Keeping in mind the welfare of police personnel, recruitment of more than 1 lakh 37 thousand police personnel and promotion of 32861 non gazetted police personnel was done by the government. Cyber cells have been formed in every district to deal with the cyber crime. Apart from that, work is continuing on construction of 18 forensic labs for micro investigation of crime. The regional forensic labs are functional in Varanasi Agra and Moradabad and their building was also there. Along with it in the last four and half years different kinds of 213 police stations have been constructed. Out of which 75 are power stations 5 are women special stations 10 are vigilance stations, 4 are economic offences investigation and 40 anti human trafficking units have also been given the status of police station. Forensic University is being established in Uttar Pradesh for the first time.

HI-TECH SUPERVISION OF JAILS

For the supervision of prisoners a video wall with 12 TV screens has been constructed on a wall in the command centre at the jail headquarter in Lucknow. This video wall has been further turned into 48 screens. All jails of Uttar Pradesh are now online. A total of 2750 cameras are installed in different jails of the state. It includes fixed as well as Pan, tilt, zoom cameras. The live feed of cameras comes directly on the video wall at the command centre. The cameras have been installed in such a manner that nobody can break them. In spite of that, if somebody tries to harm these cameras, an alert will reach the control room. Unique software has been developed with the help of Artificial intelligence and video analytics which recognises any unwanted activity if it gets captured in the video and raises the alarm. The jailor can see all kinds of activities going on in his jail through his mobile phone. A video wall has been made in every jail so that the jail officers can keep an eye over every prisoner.

STEPS FOR SECURITY OF WOMEN

RELIGIOUS CONVERSION

To stop the incidences of forced religious conversions the Uttar Pradesh prohibition of unlawful religious conversion ordinance 2020 has been approved by the government. It has provision of strict action against people involved in forced conversions.

ANTI ROMEO SQUAD

Anti Romeo squad has checked 98 lakh 55 thousand 867 people and after lodging 9948 cases took legal action against 14 thousand 958 persons and warned 41 lakh 21 thousand 745 people.

FAST TRACK COURT

218 new fast track courts have been constituted for providing quick justice under posco act. To provide quick justice to women separate 81 magistrate level courts and 81 additional magistrate level courts are active. women help desks have been established in all 1535 police stations.

POSTERS OF CRIMINALS

Directions have been issued to put posters of criminals on the intersections who have committed crime against women and children including misbehave, eve-teasing, harrasment and sexual offences. Provision has been made to give punishment through women police personnel to the criminals who have committed crime against women.

SAFE CITY

Uttar Pradesh government has decided to make 13 cities including Lucknow Meerut Gorakhpur Varanasi Gautam Buddha Nagar as safe city for women. In all these cities petrollng is being done by women police personnel through four wheelers and two wheelers.

MISSION SHAKTI ABHIYAN

After initiative of Chief Minister Yogi Adityanath the women welfare department prepared the project of Mission Shakti ahwan campaign. Under this, an awareness campaign for women is being conducted under Mission Shakti shivir in villages.

NODAL OFFICER

Chief Minister Yogi Adityanath has deputed a female nodal officer of deputy SP rank in every district for quick disposal of complaints of women and to take strict action against culprits of crime against women.

POLICE RESPONSE VEHICLE

If any woman who is alone on the road ans asks for security by calling on 112 service between 10 p.m. in evening to morning 6 a.m. then police make arrangements to drop her safely to her destination.

योगी आदित्यनाथ
मुख्यमंत्री, उत्तर प्रदेश द्वारा
सूर्य प्रताप शाही
लाखन सिंह राजपूत
व अन्य गणमान्य महानुभाव
23 दिसम्बर, 2020 | समय : पूर्वाह्न 10:00 बजे | स्थान : लोकभवन सभागार, लखनऊ

YOGI GOVERNMENT STOOD UP TO THE EXPECTATIONS OF FARMERS

Development of the state cannot take place without making villages and farmers happy and prosperous. The Government of Yogi Adityanath is continuously making efforts keeping this statement in mind. The various schemes of the yogi government have not only increased the income of farmers but also strengthened the rural economy. Chief Minister Yogi Adityanath stood firmly with the farmers during lockdown in covid pandemic. Yogi ensured that farmers must not face any problem during this period. It not only increased the confidence of farmers in the policies of the yogi government but they also felt that their future was secured. How the efficient policies of Yogi Adityanath proved beneficial for farmers, can be seen in the government purchase of wheat and paddy. The Chief Minister Yogi Adityanath's policy of transparent purchase of wheat and paddy and continuous supervision of purchase centres has been successful. Chief Minister Yogi once again stood up to the expectations of farmers. Uttar Pradesh became the first state in the country to achieve the target of paddy purchase two months before the set time. The Yogi government created a record by purchasing 60 lakh metric ton paddy against the target of 55 lakh metric ton. The Yogi government of Uttar Pradesh has purchased wheat from more than 12.88 lakh farmers during covid period which is highest in the history of the state. Because of the policies of the yogi government for farmers they are getting facilities as well as the price of their grain. UP started the wheat purchase in April and till now, the state government has purchased wheat from 12.88 lakh farmers. Till now around 56.25 Lakh metric ton wheat has been purchased from the farmers. Farmers have got direct benefit from the scheme of wheat purchase. Last year the government purchased around 35.76 lakh metric ton wheat in the same period.

RECORD PAYMENT TO FARMERS

In the last 4 years Yogi Government has made a payment of around 32000 crore rupees to the paddy producers of the state. This is a record payment to the paddy farmers in the state. In the matter of payment to the wheat farmers, the Yogi Government has also left behind former governments. In the last four years the state government has made the payment of around 40099.83 crore rupees to more than 46.33 lakh wheat farmers. With the policy for the payment of each and every grain of the farmers yield, the state government has made the payment of 6663.32 crore rupees for purchase of 42.90 lakh metric ton paddy in the year 2017-18. In 2018-19 payment of 8449.39 crore rupees was made for purchase of 48.25 lakh metric ton and in year 2019-20 payment of 10274.25 crore rupees was made for a purchase of 56.47 lakh metric ton paddy. Yogi government also made arrangement for government procurement of mustard, Bengal gram and masoor on MSP under the the tilhan and dalhan category. Along with it, the government decided to make procurement from the door step of those farmers who were not able to reach the market to sell their yield.

EFFORTS FOR INCREASING INCOME ARE SHOWING RESULTS

Immediately after becoming the chief minister of state Yogi Adityanath started his efforts to double the income of farmers. In his first step Chief Minister Yogi Adityanath fixed

> “The farmers of Uttar Pradesh will get the maximum benefit of Aatmnirbhar Bharat abhiyan. Now the food providers can sell their produce even outside of Mandi while they can fix the rate of yield at the time of sowing.”
>
> **— Narendra Modi, Prime Minister of India**

the responsibility of 28 departments and prepared a detailed work plan. In this plan the efforts started to eliminate the shortcomings of the agriculture sector for the benefit of farmers. A program called the million farmers school was organised to provide updated technical information of farming to the farmers and to inform them about other challenges. This five day-long training program is organised in two sessions Rabi and kharif. These schools are organised on Panchayat bhawan, chaupal or any public place by trained workers and agriculture scientists. Around 60 to 100 farmers attend each school. Along with providing them updated information regarding activities like bee farming, fisheries, animal husbandry, marketing, sugarcane, horticulture, silk and agriculture the staff also answer their queries. More than 55 lakh farmers have got training from 'the million farmers school'. This initiative has increased the income of farmers.

SUGARCANE AREA INCREASED

After reaching at the helm of affairs Chief Minister Yogi Adityanath started the campaign for timely payment of sugarcane farmers. Record payment of 1.4 lakh crore rupees of 45 lakh sugarcane farmers has been done by the Yogi Government in the last 4 years. First time Yogi Government ensured availability of loans on easy interest to sugar Mills for immediate payment of sugarcane farmers. For the welfare of sugarcane farmers, the government made the payment of 2916 crore rupees to 53 sugar mills and by making a provision of 4000 crores rupees loan for the purpose. The welfare policy of the Yogi Government regarding farmers resulted in the increase of sugarcane cultivation area in the state. In the sugar season 2020-21 the total sugarcane cultivation area was estimated at 27.16 lakh hectares while in the last season of 2019-20 it was 26.78 lakh hectares. So an increase of 1.4 % has been registered in the cultivation area of sugarcane.

EVERY POSSIBLE HELP TO THE FOOD GROWER

LOAN WAIVER

Loan waiver of small and marginal farmers with an amount of 36000 crore rupees. Distribution of 3 lakh 58 crore rupees Agriculture loan.

SAMMAN NIDHI

Transfer of more than 32497 crore rupees in the accounts of 2.48 crore farmers under Pradhan mantri Kisan Samman Nidhi Yojana.

INVESTMENT IN AGRICULTURE

The 1803 crore rupees subsidy amount due on agriculture investments was transferred into accounts of farmers. Distribution of more than 4 crore soil health cards.

CROP INSURANCE

Around 2 crore 5 lakh farmers have been associated with Pradhan mantri fasal Bima Yojana. 2206 crore rupees as claim was transferred into accounts of more than 25.59 lakh farmers till date.

MANDI FEE

First time 45 agro products in state became free of Mandi tax. Mandi fee was also reduced by 1%. The income of Mandi Parishad increased by 866 crore rupees..

ASSISTANCE SCHEME

First time in state Kisan Accident Insurance Scheme for farmers and middlemen implemented

MANDI PLACES

27 Mandis were upgraded and 220 new Mandi places were setup. Business of 6812 crore rupees through 125 Mandis in National agricultural market scheme.

SAMRIDDHI AAYOG

First time formation of Uttar Pradesh Kisan Samman samridhi aayog. Provision of 500 crore rupees for Mukhymantri Krishak Durghatna Kalyan Yojana.

MODERNIZATION

Modernization and expansion of 20 sugar mills of the state along with reopening of pipraich, munderwa and ramala sugar mills.

KHANDSARI UNITS

Free of cost licence renewal for refunctioning of already established khandsari units. Licence issued for 267 new khandsari units.

E-NAM MANDI

Establishment of 291 E-NAM mandis in Uttar Pradesh and association of 18 lakh farmers and 34 thousand businessmen with them.

KARMAN AWARD

Central government gave Krishi Karman puraskar of 2 crore rupees to the state government. In the last four years 2387.64 lakh metric ton agro production.

ETHANOL PRODUCTION

With the efforts of the yogi government Uttar Pradesh became the state with highest production of ethanol which is around 126.10 crore litre annually. Total 50 distilleries are producing ethanol.

FPO

To establish farmers as entrepreneurs and increase their income, The Uttar Pradesh krishak utpadak sangathan FPO policy 2020 has been implemented.

CONDUCIVE ENVIRONMENT FOR BUSINESS AND INDUSTRIES IN YOGI GOVERNMENT

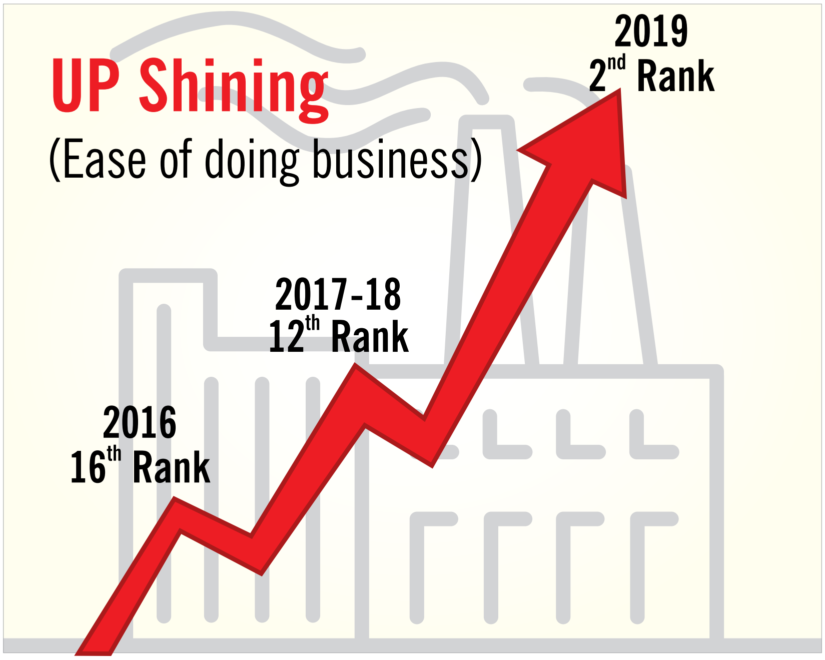
During the first and second wave of covid pandemic when economic activities were slow all over the word, at the same time in Uttar Pradesh the policies of Chief Minister Yogi Adityanath were attracting entrepreneurs. Help desk was formed to attract foreign investment during covid period. Foreign investors were contacted through their embassies. Proposals of investors were processed early through a single window system. So in this way, the ease of doing business environment created during the Yogi Government is attracting foreign investors. And the result is that in Uttar Pradesh local as well as foreign companies have shown interest in investment. As per the data of industrial development department in last one year 44 foreign investors have given their investment proposal worth 16732 crore rupees to the state government. The Yogi government is also working fastly at every level to materialise these investment proposals. State received 96 investment proposals of local and foreign investors worth 66000 crore rupees between March 2020 to May 2021. These include 40 foreign investor's proposals. Out of these proposals 22 investment proposals worth more than hundred crore rupees and will invest around 16732 crore rupees in the state. Government acted swiftly on these investment proposals and land has been made available for it. Very soon the construction work on these industries of foreign investors will start.

COMPANIES STARTED COMING TO UP FROM CHINA

As per the officials of the industrial development department 7 Japanese companies, 2 companies from Canada, 4 from Germany, 1 from Hong Kong, 2 from Singapore, 3 from United Kingdom, 5 from the United States and 4 Korean companies are investing in the state. This includes famous companies like AiKa and Microsoft. Microsoft is making an investment of 1800 crore rupees in the establishment of a Software Park in the state. Maximum foreign companies who gave the proposal for investment want to to set up their units in Noida greater Noida, jewar and Agra. One shoe making company who returned from China has already started its production in Agra. This company is investing 300 crore rupees in Agra. Officials of the state are in touch with foreign investors for establishment of the investment proposals in Uttar Pradesh so that their problems, if any, can be solved. Once the production will start in these companies who have come forward for investment in the state , lakhs of people will get employment directly or indirectly.

INVESTMENT IN SMALL DISTRICTS

The flow of foreign investment is not restricted only to big cities like Gautam Budh Nagar, Ghaziabad, Lucknow and Agra but small cities like Etah, Amroha, Mirzapur are also attracting foreign investment. According to the latest report of the Central government's department of promotion of industries and internal trade UP is among top 10 states in terms of foreign investment. Sectors like computer, hardware, service sector, software, telecommunication, mobile set manufacturing, and automobile manufacturing are attracting foreign investment in Uttar Pradesh. The Yogi government has made the arrangement of online MOU for the comfort of local and foreign



> **In which manner work on modern infrastructure is going on in Uttar Pradesh, investors from Country and across the world are excited to set up industries in the state**
>
> **— Narendra Modi, Prime Minister of India**

investors. This will make the process of MoU easy and investors are also finding it comfortable to materialise their investment proposals. To connect the non resident Indians for direct investment in Uttar Pradesh UPNRI portal has been connected with Indian embassies in one and half dozen countries. This includes countries like America, Canada, Thailand , Ghana and Angola. The NRIs living in these countries, especially from Indian origin, are not only understanding the cultural heritage of Uttar Pradesh but also knowing the opportunity to invest in a changing Uttar Pradesh.

EMPLOYMENT GENERATION FROM INDUSTRIES

922 big and small industrial units are being set up in 15 districts of Uttar Pradesh including Mathura, Chitrkut Unnao and Ghaziabad. These units will soon start functioning. In the covid period these industries have not only got the land early but many investors have started setting up their industries units also. This will provide employment to at least 50,000 people in the state. In Mathura, Pepsico is establishing a plant with an investment of 750 crore rupees. This company will provide employment to 1600 people from January next year. Investment of 400 crore rupees is taking place in Chitrakoot in the food processing sector. In the same way 17 big companies are making investments of 8625 crore rupees in different parts of the state. These include Bharat petroleum, Yara fertilizer, ITC Berger paints, UK paints, Neele Scot, forever distillery Godrej and Hindustan lever.

GOVERNMENT EFFORTS ARE GIVING RESULTS

INVEST UP

Invest UP has been formed under the chairmanship of Chief Minister Yogi Adityanath for inviting investment. Online tracking portal has been launched to make the process easy and simple for monitoring of MOUs signed for setting up the industries.

INVESTOR'S FRIENDLY POLICY

UP has adopted a new industry policy. 21 new investor friendly policies have been made. Launch of Nivesh Mitra portal which includes 227 services. With the help of the portal 97849 NOCs issued to entrepreneurs.

INVESTOR SUMMIT

MoUs signed for investment of 4.68 lakh crore rupees in investor's summit. 371 projects worth almost 3 lakh crore rupees are functional. 5 lakh people got employment with it.

DEFENCE CORRIDOR

Work started on Defence industrial manufacturing corridor. The target is to generate 5 lakh employment through investment of 50000 crore rupees. 14 MoUs signed for defence corridor. Investment of 11910 crore rupees till date.

LICENCE APPROVAL

Arrangement of providing different licence approvals within 72 hours to new industries. The industry will not be inspected for 1000 days. Loans worth 42700 crore rupees were distributed to 12.91 lakh units under Aatmnirbhar Bharat package.

LAND TO INDUSTRIES

Revenue code amendment ordinance 2020 has made it easy to change the use of land in case of agricultural land so that it can be used for industrial and commercial purposes. 50% off on electricity for 10 years for setting industries in backward areas.

MANUFACTURING CLUSTER

3 electronics manufacturing clusters worth 40 thousand crore rupees are being set up in the state. It will generate employment for 4 lakh people. Samsung mobile unit already established in Noida.

WEB OF STARTUPS

Country's biggest startup incubator will be established in Lucknow in front of Amausi airport. Overall 100 incubators will be established in the state. North India's first state data centre established in Noida with 6000 crore rupees.

एक जनप एक उत्पाद
उत्तर प्रदेश
नई उड़ान, नई पहचान

SMALL INDUSTRIES GIVING PACE TO DEVELOPMENT

For years, the businessmen associated with the leather industry of Taj Nagari Agra used to go to the laboratories of France-Germany or Chennai for quality check of their products. These outdoor labs not only took more time but this whole process was very expensive also. Country's hi tech testing lab has been established under Uttar Pradesh export infrastructure development scheme in singhana area, on Mathura highway, 21 km far from Agra. Chief Minister Yogi Adityanath inaugurated this lab on 7 August 2020 and with it the hassles of leather businessmen also ended. This new lab in Agra has made it possible to test whether the leather in the shoe has any harmful chemicals and how strong the product is. So in this way the word level facility for 1000 different tests including high risk, chemical and physical durability of leather, footwear component, garments and textile will further increase the export of leather products from Agra. State government bore 80 percent expense of this lab which costs 15.5 crore rupees.

The unique experiments of Chief Minister Yogi Adityanath who is involved in making the environment of Uttar Pradesh friendly for industries have opened new avenues for industrialisation in the state. State government has planned to establish 31 common facility centres with the cost of 200 crore rupees for providing services to the local industries of the state as per their need. 14 out of these are ready and the remaining 17 will be functional within a few months.

NO HINDRANCE IN ESTABLISHMENT OF INDUSTRIES

During the covid scenario Chief Minister Yogi Adityanath is using the large number of 90 lakh medium, small and micro industries for increasing the industrial development of the state and providing job avenues. Taking a big step towards removal of the hindrances which come in the way of establishing industries in the state, Yogi government has approved Uttar Pradesh micro small and medium enterprises (facilitation of establishment and operation) act 2020 through cabinet bycirculation on 18 August 2020. Provisions have been made under this new act that The approval certificate will be issued within 72 hours of submitting documents by any industrialist at the district industries centre. Once this certificate has been released the unit will not need to get any kind of

> “ODOP scheme will help in the rise of unique handicraft and art of Uttar Pradesh and provide employment to skilled artisans. I hope that this MSME sector can realise the Omni directional development and carry forward the art of state to the world.”
>
> **— Narendra Modi, Prime Minister of India**

permission from any government department for 900 days and he can immediately start his industry. Through this new act efforts are being made to achieve the target of facilitating 5 lakh new jobs in 1 year. The new act has provision for the formation of a facilitation council at division level so that the problems of industries can be solved on priority at division level.

MSME: A GREAT SUPPORT IN COVID PANDEMIC

Uttar Pradesh has around 90 lakh registered and non registered MSME units. Before the coronavirus scenario, when the Yogi Government was busy increasing the investment and business, this sector moved fastly and brought exponential increase in the exports. When covid hit the state then MSME units produced so much of PPE kits, masks and sanitizers that the state became independent in these things. After that came the biggest crisis of oxygen supply during the second wave. After contacting the industrialists oxygen supply was started from industrial units to hospitals. Some units have started setting up of the plants for oxygen production. Now the MSME sector is all prepared for the possible third wave also. Children are in the highest danger of getting infected during the third wave of covid. According to it Chief Minister Yogi Adityanath is making arrangements of the resources now. The MSME sector is also making preparations regarding this. Preparations for the production of the equipment which is used in treatment of children have started. MSMe sector units will produce the masks, ventilator and other equipment for children separately. Grants for this have also been arranged.

ONE DISTRICT ONE PRODUCT ODOP GAVE NEW IDENTITY TO UP

JOB AVENUES

Around 25 lakh people have got the opportunity of livelihood and employment under ODOP till date.

MARGIN MONEY SCHEME

5122 beneficiaries have received benefit of ODOP margin money scheme in 2020-21 which was started with an aim to provide monetary help for establishing any project.

SKILL DEVELOPMENT SCHEME

Under this an artison will get 10 days free of cost residential training. After completing the training the artisan will get a certificate as well as an Advanced toolkit.

E-COMMERCE FACILITY

ODOP has collaboration with stakeholders like quality control of India and Bombay stock exchange. Flipkart, Amazon, eBay are e-commerce partners.

WORKING CAPITAL LOAN

Facility of 26000 crore working capital loan has been provided to around 10 lakh MSME after the lockdown.

G I TAG

15 products of ODOP have bagged G I tag. 10 new products are under consideration. 22 common facility centres are at the different stages of getting permission.

SHRAM SAMMAN SCHEME

Under Vishwakarma shram Samman scheme a total of 68418 beneficiaries have been benefited while 30 crore rupees have been distributed under the scheme this year.

ARTISON TRAINING

Under the ODOP scheme 41000 artisans have got training till date. Around 400000 tool kits have also been distributed among these artisans.

ONE DISTRICT ONE PRODUCT
UTTAR PRADESH

Foreign tourists with saints in the Kumbh Mela held in Prayagraj in the year 2019

YOGI'S GOOD GOVERNANCE GAVE IMPETUS TO TOURISM

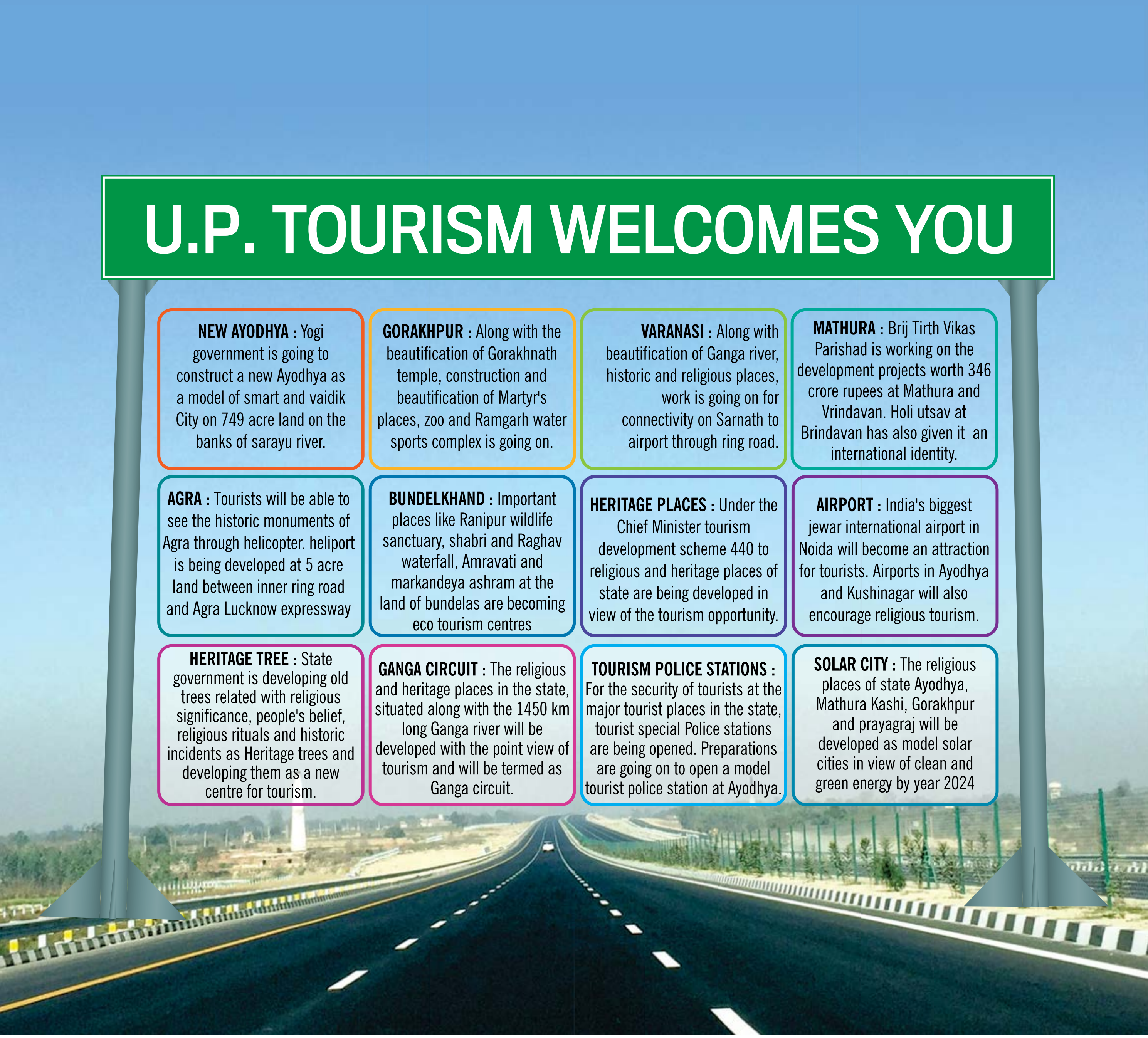
Situated in the heartland of India, Uttar Pradesh is the unique state which encompasses the incredible scenes of confluence of cultures and faiths. After reaching at the helm of affairs on 19th March 2017, Yogi Adityanath started his efforts to make Uttar Pradesh shine brightly on the map of tourism. New tourism policy was announced. The biggest cultural event of the world Prayagraj Kumbh was organised in a grand manner in the year 2019 under the supervision of Chief Minister Yogi Adityanath. More than 23 crore people attended this event. This brought Uttar Pradesh on the map of World tourism as an important centre. Along with this started the tradition of grand programs of Deepotsav in Ayodhya, Krishnotsav in Mathura, rangotsav in Barsana and Shivratri and Dev Deepawali in Varanasi. Deepotsav in Ayodhya has secured its place in Guinness Book of World records continuously. The priority given by Chief Minister Yogi Adityanath to the development of tourism is showing encouraging results. According to the Indian tourism statistics, in 2020, Uttar Pradesh is on the first place in the country in terms of domestic fall of tourists. In the year 2019 the state was in second place in the same category. After directions of the chief minister many circuits have been identified in the state which includes Ramayana circuit, braj circuit, Mahabharat circuit, Shakti peeth circuit, spiritual circuit, Jain circuit, and Buddhist circuit. Many new attractions have been made available in the field of tourism by organisation and wide scale promotion of different festivals, celebrations and fairs by the State Government. The upcoming hitech filmcity in Noida will also give new dimensions to the possibilities of tourism in Uttar Pradesh.

DEVELOPMENT OF RELIGIOUS AND CULTURAL PLACES

First time in Uttar Pradesh Yogi Government has made an elaborate

> “The land of Uttar Pradesh, enriched with natural splendor, confluence of cultures and saga of pride invites every person of this world, who longs for peace, calmness and pleasure. Lord Rama is here, ShriKrishna is here, Mahaveer and Kabir also here.
>
> — Yogi Adityanath, Chief Minister Uttar Pradesh

Characters of Ramlila during Deepotsav in Ayodhya



U.P. TOURISM WELCOMES YOU

NEW AYODHYA : Yogi government is going to construct a new Ayodhya as a model of smart and vaidik City on 749 acre land on the banks of sarayu river.

GORAKHPUR : Along with the beautification of Gorakhnath temple, construction and beautification of Martyr's places, zoo and Ramgarh water sports complex is going on.

VARANASI : Along with beautification of Ganga river, historic and religious places, work is going on for connectivity on Sarnath to airport through ring road.

MATHURA : Brij Tirth Vikas Parishad is working on the development projects worth 346 crore rupees at Mathura and Vrindavan. Holi utsav at Brindavan has also given it an international identity.

AGRA : Tourists will be able to see the historic monuments of Agra through helicopter. heliport is being developed at 5 acre land between inner ring road and Agra Lucknow expressway

BUNDELKHAND : Important places like Ranipur wildlife sanctuary, shabri and Raghav waterfall, Amravati and markandeya ashram at the land of bundelas are becoming eco tourism centres

HERITAGE PLACES : Under the Chief Minister tourism development scheme 440 to religious and heritage places of state are being developed in view of the tourism opportunity.

AIRPORT : India's biggest jewar international airport in Noida will become an attraction for tourists. Airports in Ayodhya and Kushinagar will also encourage religious tourism.

HERITAGE TREE : State government is developing old trees related with religious significance, people's belief, religious rituals and historic incidents as Heritage trees and developing them as a new centre for tourism.

GANGA CIRCUIT : The religious and heritage places in the state, situated along with the 1450 km long Ganga river will be developed with the point view of tourism and will be termed as Ganga circuit.

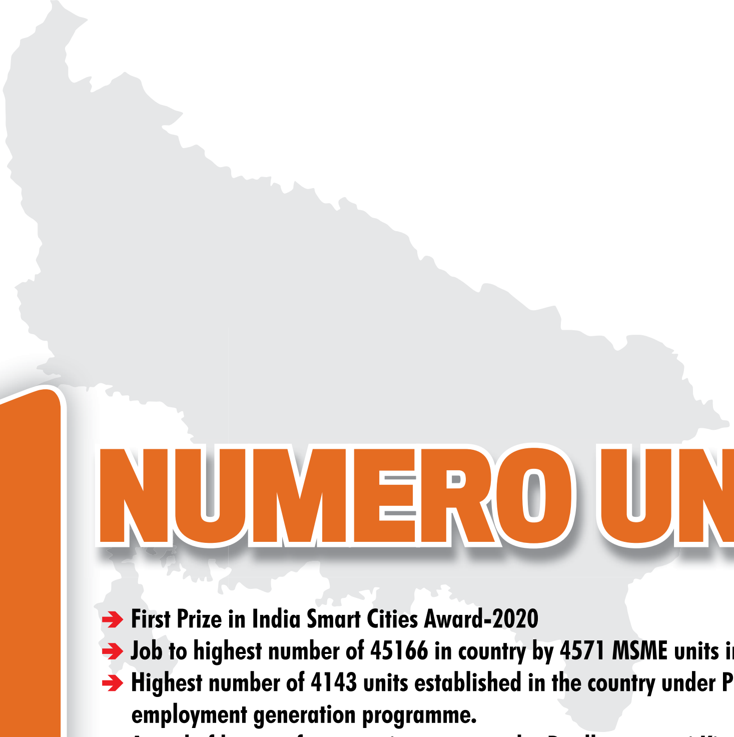
TOURISM POLICE STATIONS : For the security of tourists at the major tourist places in the state, tourist special Police stations are being opened. Preparations are going on to open a model tourist police station at Ayodhya.

SOLAR CITY : The religious places of state Ayodhya, Mathura Kashi, Gorakhpur and prayagraj will be developed as model solar cities in view of clean and green energy by year 2024

work plan for the development of religious and cultural places and is working on it. Government has constituted braj Tirth Kshetra Vikas Parishad, naimisharanya Tirth kshetra Vikas Parishad, vindhya Tirth Kshetra Vikas Parishad, sukhradham Tirth Kshetra Vikas Parishad, chitrkut Tirth Kshetra Vikas Parishad and Devi Patan Tirth Kshetra Vikas Parishad to give impetus to the development of tourist facilities at these religious places. Along with it places related to Mahabharata saga are being developed under Mahabharat circuit. Shravasti, kapilvastu and Kushinagar are being developed under buddha circuit while tourism facilities are being developed at Chitrakoot and shringverpur under Ramayan circuit. On the same lines tourism facilities are taking new shape in Agra and Fatehpur Sikri under Jain and Sufi circuit.

KASHI VISHWANATH DHAM WILL GIVE A NEW IDENTITY TO TOURISM

A unique Vishwanath Dham corridor is taking shape from the banks of the Ganges to the Vishwanath Darbar in Varanasi. Prime Minister Narendra Modi laid the foundation stone of Kashi Vishwanath Dham Corridor project being built on 5 lakh square feet at a cost of more than 1000 crores on March 8, 2019 in Varanasi. The cultural heritage of Varanasi will be contained in the corridor area. Along with the main temple complex, Banaras Gallery, City Museum, Spiritual Reading Room, Vedic Center, Mumukshu Bhawan will be special attractions. Apart from this, arrangements will be made for open air theatre, multipurpose hall, visitor facilitation center, banquet hall, business center, administrative building. Kashi Vishwanath Dham Corridor will give a new identity to the tourism of UP. There will be arrangements for more than two lakh devotees to visit Vishwanath Darbar every day.



NUMERO UNO UP

- First Prize in India Smart Cities Award-2020
- Job to highest number of 45166 in country by 4571 MSME units in one year
- Highest number of 4143 units established in the country under Pradhan mantri employment generation programme.
- Award of best performance in country under Pradhan mantri Kisan Samman Nidhi Yojana
- Best in country in terms of sugar cane and sugar production and payment of 1.40 lakh crore of sugarcane
- First state in the country to provide subsidy to farmers through DBT
- First in the country in providing free of cost power connection to 1 crore 38 lakh houses under saubhagya scheme
- Number one in production of food grains, wheat, potato, mango, gooseberry, green peas and milk.
- Best in country by giving approval for construction of more than 40 lakh PM aawas
- First in country by providing free of cost gas cylinder to 1.5 crore eligible houses under ujjwala scheme
- State with highest vaccination and number one in sanitizer production
- First state in country to form women help desks in all police stations
- On the way to becoming the first state with five international airports and five expressways.
- Number one in the country by starting construction of 30 new medical colleges in the field of medical education.
- Maximum number of 7.02 crore accounts opened in UP under Pradhan mantri Jan dhan Yojana.
- First in the country by providing benefits of the Atal pension scheme to 36 lakh 60 thousand 615 people.
- State with maximum government procurement in the country through e marketplace GEM
- First country in state to implement state health policy and skill development policy
- State ahead in e-challan system and e-prosecution system.
- E-governance prize for excellent performance to Uttar Pradesh by Union panchayati Raj ministry
- First in the country in establishment of MSME
- First state in the country to declare human wild animal conflict as disaster
- First in country with highest number of livestock and cow protection and dairy farming
- First state in country to amend the mandi adhiniyam for the market of farmers
- Uttar Pradesh is at the first place in the country in implementation of PM Swa Nidhi Yojana.
- Ranked first in country by construction of 2 crore 61 lakh personal toilets

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SMART IND

DULGENCE

JUICY *SEEKH KEBABS*, CHICKEN NUGGETS, MUTTON *KEEMA*, EGGS AND YOGURTS, ALL MADE OUT OF PLANT EXTRACTS. ARE INDIAN CONSUMERS READY TO EMBRACE THESE NEW-AGE 'GOOD-FOR-YOU' PRODUCTS?

BY AJITA SHASHIDHAR
ILLUSTRATION BY ANIRBAN GHOSH

W

When american elite special forces trainer and the winner of the reality TV series, *The Ultimate Fighter*, James Wilks, takes a trip around the world in pursuit of an optimum diet that would improve the performance of sportspersons in the Netflix documentary, *The Game Changers*, he debunks the age-old belief that animal protein is the only way one can build muscle, sustain energy levels and recover from stubborn injuries. The documentary, which critics call propaganda against the meat industry, gives a 360-degree view of the world of vegetarianism.

Wilks is not an exception. The idea of plant-based protein is catching on big time, especially in countries where meat consumption is high. In the US, where an average American consumes anywhere between 80 and 85 kilograms (kgs) of meat annually and can't imagine a meal without beef or chicken, plant-based mock meat, eggs and dairy products have found their way into restaurant menus as well as homes. There is a whole generation of consumers substituting their favourite beef burger patty with a plant-based beef patty sold by the likes of Beyond Meat or Impossible Foods. In fact, the current plant-based meat market globally is already $5 billion, and growing rapidly The trend has been amplified further with celebrities such as Brad Pitt, Serena Williams, Novak Djokovic and Arnold Schwarzenegger embracing veganism. The trigger is the strong belief that plant protein is more nutritious and effective and consumption of animal protein has an adverse impact on the environment. "It is led by health, ethical and planetary considerations," says Geetu Gidwani Verma, a management consultant in the global FMCG space, and former Global Vice President, Nutrition and Natural Platforms, Unilever.

Companies across the world are fast latching on to the trend. The global alternative protein market is projected to reach $295 billion by 2035. In fact, mock meat company Beyond Meat is one of the most talked about start-ups that got listed at a valuation of $1.5 billion on the New York Stock Exchange in 2019. The company is currently valued at $8.5 billion. Around $4.5 billion was invested in plant-based nutrition globally in 2020. Companies such as US-based Impossible Foods and Swedish major Oatly have raised private equity funding of $700 million and $200 million, respectively.

BVeg Foods Co-founders Akanksha and Prateek Ghai at the BVeg laboratory in New Delhi

Global food giants such as Unilever and Nestle are also investing big in the segment. In April this year, Nestle launched a manufacturing facility for plant-based burgers and other variants of mock meat in Malaysia. The food major has also invested $100 million to build a plant-based food facility in China.

THE INDIAN MARKET

So, what goes into a mock meat burger patty or chicken nugget? It is predominantly soya and pea protein. In India, soya chunks or soya *wadi* as they are commonly referred to, have been a popular protein source for decades, long before the founders of Beyond Meat or Impossible Foods even imagined mock meat burger patties or sausages. Soya chunks have not only made their way into Indian households on religious occasions when meat can't be cooked, but have also served the purpose of satisfying the non-vegetarian craving of the segment of the population which isn't affluent enough to afford meat. It is currently a ₹50,000-crore market dominated by firms such as Ruchi Soya. Adani Wilmar and Marico have entered the segment in the recent past.

Most of the food companies present in soya chunks are of Indian origin. Global food majors such as Nestle, which are making serious investments worldwide, find the Indian plant-based market nascent. But the consciousness to eat right and eat healthy is catching on fast. Eminent sports and film personalities such as Virat Kohli, Shraddha Kapoor, Sonam Kapoor and Kangana Ranaut have been vocal about their transition to vegetarianism. Social media influencers are constantly talking about the benefits of turning vegan and replacing animal protein diet with plant-based ones. No wonder the last one year has seen a spate of plant-based nutrition start-ups entering the market. Be it Blue Tribe, Hello Tempayy, Evo Foods or Imagine Meats, their ambition is to change the way Indians eat.

Greek yogurt-maker Epigamia launched its portfolio of plant-based dairy products such as coconut-based yogurt and almond milk last year. Rohan Mirchandani, Co-founder and CEO, Drums Food (Epigamia), says within a year of its launch, the plant-based portfolio has started contributing 12-15 per cent to the revenue of the ₹250-crore company. "We see a very high acceptance of our plant-based products. There are a lot of consumers who have replaced their coffee creamers with our almond milk. When we observed that a certain segment of our regular consumers had stopped buying our products, we reached out to them to find out the reason. That's when we realised that these were early signs of consumers becoming vegans," says Mirchandani.

Varun Deshpande, Managing Director, The Good Food Institute India (GFI), agrees that in the past one year, especially after the Covid-19 outbreak, there has been an increasing desire among Indian consumers to eat healthy and eat ethical. "We are working with a few dozen entrepreneurs across plant-based meat, eggs and dairy. The story will be written over the next 10 years when we expect the Indian plant-based food industry to be as big as it is in mature markets such as the US."

THE DICHOTOMY

Over 70 per cent of Indians consume non-vegetarian food. However, as opposed to the average American, who consumes around 80-85 kgs of meat per annum, an average Indian consumes just 4 kgs. This is because only 25 per cent of meat consumers in the country are hardcore meat eaters. The remaining 70 per cent are casual consumers who eat meat when they go out or on a few days of the week. "A large part of meat consumption occasions in India are also governed by religious norms. People don't eat meat on cer-

WHY PLANT-BASED?

- **Though 70 per cent Indians eat non-vegetarian food, only 25 per cent are hardcore non-vegetarians, which makes India a protein-deficient nation**
- **These plant-based foods are high on protein and seek to bridge the deficit**
- **Plant-based food or smart proteins use less land, water, energy and emit less carbon**
- **Animal agriculture is responsible for the majority of food sector greenhouse emissions; demand for meat set to go up by 70 per cent by 2050; India likely to contribute significantly to the increase**

SMART PROTEINS

- **Plant-based meats are produced from plant or crop ingredients such as pea protein and coconut oil**
- **They are composed of protein, fat, minerals and water, and offer complex carbohydrates and fibre**
- **The plant-based JUST Egg by Eat JUST is made of *moong* and consume 98 per cent less water and 93 per cent less CO2 than conventional chicken eggs**
- **Plant-based milks are made of crops like almond, soya, or oats**
- **Tempeh, a lookalike of paneer, is made by fermenting soyabean and water**

Source: GFI & Industry

THE GLOBAL MARKET...

- The global alternative protein market is projected to reach $295 billion by 2035
- Plant-based investments are close to $4.5 billion
- In 2019, US-based Beyond Meat got listed at a valuation of $1.5 billion; it is currently valued at $8.5 billion
- In 2020, US-based Impossible Foods raised $700 million
- Swedish company Oatly recently raised $200 million

... AND IN INDIA

- The domestic plant-based market primarily consists of soya chunks, sold by legacy companies such as Ruchi Soya, Adani Wilmar and Marico as an affordable protein substitute for meat

- The last one year has seen the entry of a host of start-ups such as Vegolution, Blue Tribe Foods and Epigamia, which have launched new-age plant-based products

> **"A non-vegetarian in India is not the same as a non-vegetarian in the US or Europe... A large percentage of the population eats vegetarian meals and that's where the gap is"**
>
> **SIDDHARTH RAMASUBRAMANIAN,**
> FOUNDER, VEGOLUTION

tain days due to religious reasons," explains Verma.

Apart from this huge cohort of casual non-vegetarians, there are also hardcore vegetarians who would never fancy eating mock meat or anything closer to the texture of meat. "The ethics issue around meat and environment isn't resonating as much in India as elsewhere. Mock meat will not appeal to a veggie and that limits the market potential in India," says Kannan Sitaram, Venture Partner, Fireside Ventures.

India is a highly protein-deficient country and what Indian consumers really crave for is a high-protein alternative and not as much a replacement for meat like in the US or the rest of the world. "A non-vegetarian in India is not the same as a non-vegetarian in the US or Europe where they are eating meat at least once a day. A large percentage of the population eats vegetarian meals and that's where the gap is," says Siddharth Ramasubramanian, Founder and CEO, Vegolution. His product, Hello Tempayy, which entered the market earlier this year, is a look-alike of paneer, prepared by culturing and fermenting soyabean and water.

Ramasubramanian says Hello Tempayy is a plant-based protein alternative for a vegetarian diet. "Most vegetarians we spoke to were tired of eating paneer. They didn't have any indulgence food. The yearning for something delicious besides paneer was clearly there. They also wanted to have something that was familiar, so we needed to introduce something which was within the context of the modern Indian kitchen. They wanted something as versatile as potato or paneer," he adds.

Prior to launching her own plant-based company, Shraddha Bhansali, Co-Founder, EVO Foods, was running a vegan restaurant, Candy Green, where she found out that mock meat

"We are working with entrepreneurs across plant-based meat, eggs and dairy. The story will be written in the next 10 years when we expect the Indian plant-based food industry to be as big as in the US"

VARUN DESHPANDE,
MD, THE GOOD FOOD INSTITUTE INDIA

was an under-performer. "While there were vegans who did miss the taste of meat, there was also a large segment of consumers who were vegetarians due to religious reasons, and they were turned off because mock meat didn't fit into their food culturally. The non-vegetarians, on the other hand, said they did not want fake meat."

It was clear to Bhansali that she needed to come up with something that was not religiously offensive and at the same time easily adaptable. "In our surveys, we asked people whether they were vegetarians or non-vegetarians and they told us they were vegetarians, with eggs or without eggs. We realised that everyone has a different degree of vegetarianism with eggs; some have eggs only in cakes. Also, a lot of doctors prescribe eggs for protein. So, we came up with the idea of making a plant-based egg." Her brand, EVO, set to be launched within the next couple of months, is a liquid egg made out of *moong*, chickpeas and peas. Bhansali says her plant-based egg is not just comparable to chicken eggs in terms of protein content, but is also fortified with Vitamin B12 and D3, and is without cholesterol.

MOCK MEAT

A vegetarian protein option such as tempe or even an egg does seem to be more likely to be accepted by the Indian consumer than mock meat. However, Deshpande of GFI believes it important for plant-based meat players to look beyond soya nuggets. "If any non-vegetarian tries soya nuggets, he/she would call it an inferior substitute. The next-generation products have to focus on replicating the sensory experience of meat in order to be accepted."

Considering the awareness about adverse repercussions of consuming too much meat, Verma says there is a growing segment of Indians open to the idea of replacing their animal diet with plant-based protein on at least certain days of the week. "There is a rise of flexitarians — non-veg eaters/lovers, experimenting with plant-based options, very niche at the moment, but steadily increasing. That would be the next big market opportunity."

But like Deshpande, Verma also believes that the challenge would be to offer the taste and texture of real meat. Blue Tribe Foods, which launched plant-based chicken *keema* and chicken nuggets earlier this year, is already aspiring to become a ₹1-crore brand by the end of the year. Chief Commercial Officer Sohil Wazir is targeting flexitarians. "We are not asking people to go vegan. All we are telling them is that if you are eating meat four times a week, you can substitute that once or twice a week with plant-based meat and get the same experience. That, in itself, will mean a massive impact on the amount of meat that is consumed," he adds.

Bollywood couple Genelia and Riteish Deshmukh is also launching mock meat brand Imagine Meats. "We have tried and matched the taste as close to non-vegetarian food as possible. India has a lot of guilty non-veg eaters. They don't eat at home. We want to tell them that they can sit and eat at home guilt-free as they are eating a plant," says Genelia D'Souza Deshmukh, Co-founder, Imagine Meats. The company has a portfolio of 12 products, including *seekh kebabs, keema, biryani*, butter chicken and chicken *tikka masala*. "We were clear we would Indianise. We do have nuggets and burger patties, but the main focus is taking our food to Indians, so that they can eat guilt-free," she says. They plan to roll out their brand in Mumbai in August.

Bangalore-based Evolved Foods will also launch its plant-based protein and meat. While the plant protein is meant for vegetarians, the meat is going to be positioned as an alternative to conventional chicken and mutton. "Most hardcore veg-

"There is a rise of flexitarians — non-veg eaters/lovers, experimenting with plant-based options, very niche at the moment, but steadily increasing"

GEETU GIDWANI VERMA
MANAGEMENT CONSULTANT IN THE GLOBAL FMCG SPACE & FORMER GLOBAL V-P, NUTRITION AND NATURAL PLATFORMS, UNILEVER

etarians don't want to experiment with a product that is meaty. We wanted to give them something which is high in protein (16 grams) and low in fat (7 grams) and, more importantly, not meaty. Plant meat is meaty in texture, and the whole idea was to create a credible replacement to meat," says Roma Roy Choudhury, COO, Evolved Foods.

As an investor, Sitaram of Fireside Ventures says he would rather place his bet on a protein option targeted at vegetarian diet rather than mock meat. "Veganism will pick up momentum in India. There is opportunity for almond and oat milk. A vegetarian option of protein, which has higher protein content than paneer, and which is not positioned as meat, will work better in the country."

Narendra Parthsarathy, Chief Farmer, Founder and CEO of omnichannel meat brand, Nandu's, believes that calling a plant-based nutrition product as chicken or meat creates confusion among consumers. "It's a beautiful ingredient and the product needs to stand on its own feet. The moment a vegetarian hears the word meat, he/she will say no to it. On the other hand, a conventional meat eater may not want to eat mock meat," he adds.

THE ECOSYSTEM

Though plant-based nutrition in India is nascent and largely limited to soya chunks, the rising awareness of the concept has already resulted in the emergence of a plant-based ecosystem. Not only are entrepreneurs launching brands, they are manufacturing ingredients as well. "There is a lot of work to be done across the value chain. Making these ingredients available to entrepreneurs so that they can make next-generation meat substitutes is also a major business opportunity. We have businesses being set up just to investigate the use of chickpeas in next-generation plant-based meat, egg and dairy products," explains GFI's Deshpande.

Start-ups such as BVeg Foods are not just experimenting with ready-to-cook plant-based protein snacks but also investing in manufacturing facilities to make these products. "Our factory on the outskirts of Delhi will be a game-changer in the plant-based products category. A lot of people are asking us to supply bulk products and for that we need specialised equipment that will help us create scale in the mock meat category," says Co-founder Prateek Ghai. He is in talks with quick-service restaurants planning to launch mock meat as part of their menu. In fact, Domino's Pizza was the first to launch a limited-edition mock meat pizza last year.

Global plant-based ingredient companies are also eyeing the Indian market. Imagine Meats, for instance, has partnered with America's ADM to launch its plant-based range in India. "We are giving them a complete farm-to-fork solution. Right from protein to

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>
> **ROHAN MIRCHANDANI,**
> CO-FOUNDER AND CEO, DRUMS FOOD (EPIGAMIA)

flavour blends, we have helped them with the entire formulation. Since taste, spice blends and fibrosity of the products are important, we gave them concept demos. If they wanted chicken *tikka*, we demonstrated a chicken *tikka* or a *seekh kebab*," explains Sanjay Laud, Managing Director, Nutrition, ADM India. Apart from Imagine Meats, ADM is working with a host of other plant-based nutrition start-ups as well. "We are in talks with leading food majors as all of them have started evaluating their plant-based strategies," says Laud.

"Texturisers and binders get manufactured in Europe and are imported. Proteins are imported from the US. We are not making proteins in India as the market is very nascent. We will first develop the market and when the base is strong integrate backwards and start manufacturing," he adds.

CHALLENGES GALORE

Heavyweights such as Ruchi Soya, Adani Wilmar and Marico don't intend to look beyond the traditional soya chunks market since that is the only area where they can build scale. "We see huge opportunities for growth in soya and will surely tap that market going forward," says Baba Ramdev, Founder, Patanjali Ayurved. Patanjali acquired Ruchi Soya in 2019.

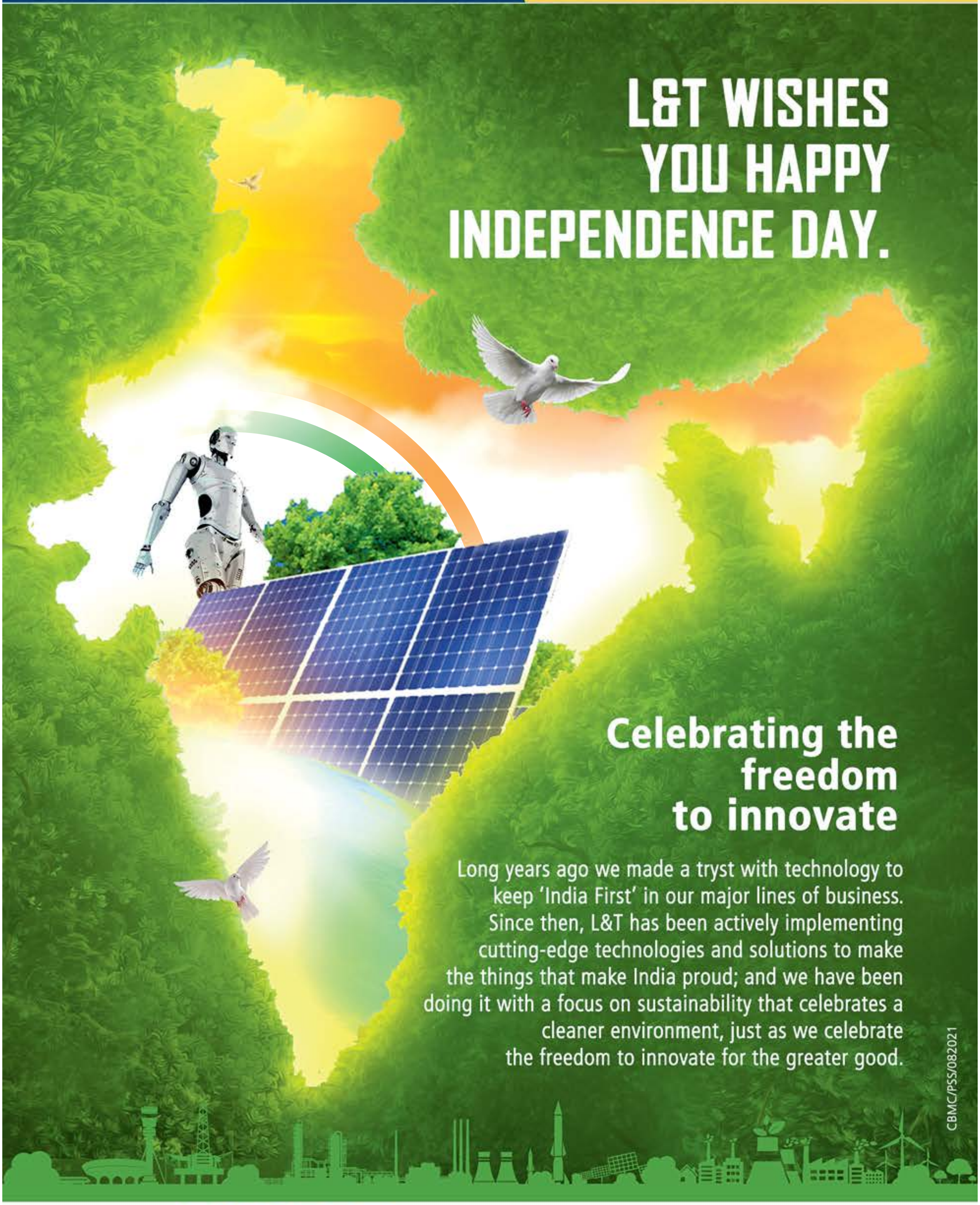
"We are a mass player, so pricing is critical. Soya chunks allow us to be relevant to the masses as pricing is affordable. But other plant-based foods have huge potential as well. We are watching the space and will ensure we are early movers in the plant-based protein category," says Ajay Motwani, Chief Marketing Officer, Adani Wilmar.

Marico India recently launched Saffola Mealmaker Soya Chunks. "We have been witnessing a shift towards high-protein, high-nutrition foods over the last couple of years, a trend driven by changing consumer sensibilities. Today, people want healthy snacking options that fit into their lifestyles. The industry is focusing on developing affordable and healthy snacks such as ready-to-eat foods, breakfast cereals and high-protein foods and beverages," says Sanjay Mishra, COO (India Sales) and CEO (New Business), Marico Ltd.

Given the nascent state of the industry, the obvious challenge is scale. Pricing parity with conventional meat and dairy products would be a challenge too. While Hello Tempayy is priced at ₹130 for a 200-gram pack, which is similar to premium paneer, a 200-gram pack of Blue Tribe chicken *keema* is priced at ₹295 as opposed to a ₹200-gram pack of conventional chicken *keema*, which costs ₹200. The pricing of EVO eggs would be on a par with organic eggs, which command a huge premium compared to regular chicken eggs. "It will be difficult for these brands to maintain price parity as they are currently importing the ingredients and paying hefty duties. Unless the government rationalises the duties, it will be difficult for them to offer their product at a reasonable price, which will make scaling up a challenge," explains Sitaram of Fireside Ventures.

Verma says the industry will only be able to target the country's creme de la crème for some time. However, the action in the plant-based nutrition industry is heating up as more and more upwardly mobile Indians take to veganism. But it is unlikely that vegan products will completely replace conventional dairy or meat. **BT**

@ajitashashidhar



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China's Giant Shadow

THE SEVERELY STRAINED TIES BETWEEN THE TWO GOVERNMENTS AND A MASSIVE BACKLASH AGAINST GOODS MADE IN CHINA NOTWITHSTANDING, THE DRAGON REMAINS INDIA'S BIGGEST TRADE PARTNER. THE ELEPHANT MAY FIND IT DIFFICULT TO DISENTANGLE ITSELF FROM THE DRAGON

BY SUMANT BANERJI
ILLUSTRATION BY RAJ VERMA

Less than three days after a deadly clash between Indian and Chinese forces at Galwan Valley in the East Ladakh region led to the death of 20 Indian soldiers on June 15 last year, a video of a group of men in Coimbatore shouting anti-China slogans and smashing their smartphones went viral on social media. The same day, another group, this time in Surat, was seen doing the same to a TV set.

The Galwan clash was the deadliest between the two Asian giants in over 45 years and further strained the already fragile relations. Besides the military standoff, China's role in the spread of the coronavirus pandemic and the economic distress that it has brought with it globally resulted in a significant backlash among the business community and consumers across India. Calls for a boycott of Chinese products, not entirely new in India, became shriller.

"Our target is that by December 2021, we should reduce imports from China by up to ₹1,00,000 crore ($13.3 billion)," said Praveen Khandelwal, National Secretary General, Confederation of All India Traders (CAIT), one of India's largest trader bodies. "The Indian consumer does not want to buy Chinese goods any more. He is concerned with the spread of the virus and its impact on the Indian economy and the transgressions by the Chinese army on our border. We support them in this cause and will encourage them to buy local products."

With more than 40,000 trader bodies, representing over 70 million retailers and wholesalers, as members, CAIT came up with a list of 3,000 items that are currently imported from China, but can be easily substituted by "Made in India" alternatives. From toys and T-shirts to handicrafts, coffee mugs, watches and spectacles, Chinese goods are omnipresent in Indian markets, a lot of them classified as unorganised merchandise. So much so that it had even Finance Minister Nirmala Sitharaman wondering aloud why even Lord Ganesha idols have to be imported from China.

"There is nothing wrong in imports that would spur production and create job opportunities and it can be done definitely," she said while launching the big-bang Atmanirbhar Bharat Abhiyaan initiative last year. "But today, why even Ganesha idols are imported from China...why such a situation...can't we make a Ganesha idol from clay, is it the situation?" In order to complement this swirl in nationalistic consumerism, the government announced tariff measures for goods from China while putting investments from across the border under the scanner.

However, it is clear that this anti-China sentiment has not sustained. In FY21, when India's trade with the world declined due to the pandemic, its dependence on China did not diminish. In fact, with bilateral trade of $86.4 billion, mainland China overtook the US to emerge as India's largest trading partner. With 5.53 per cent growth, it was the only major country to record a rise in trade with India. Indo-US bilateral trade contracted 9.5 per cent to $80.5 billion. India's overall trade declined more than 13 per cent to $684.77 billion. Ironically, India's bilateral trade with China had contracted in each of the two previous fiscals.

> ***"India should reduce the dependence because in case of a serious discord between the two countries, there should be a fallback option"***
>
> **Madan Sabnavis,** Chief Economist, CARE Ratings

Reducing dependence on China is an aspiration not just for India but much of the world. But FY21 shows just how difficult it could be.

The Gulf Of Trade Deficit

The most debilitating aspect of India's trade ties with China is the huge trade deficit. This is in stark contrast to the healthy surplus with the US. China is by far India's biggest source of imports at over $65 billion, and for all the anti-China hullabaloo, the decline has been a mere 0.07 per cent. At the same time, India's imports from the US went down 19.4 per cent to $28.88 billion, while overall imports decreased by more than 17 per cent to $393.6 billion.

"Trade is undertaken by any two countries on the basis of comparative advantage and it is here that China has become a major trading partner. Self-reliance should not mean producing goods at a distorted cost and, hence, imports are essential. Within our trade partners, we need to choose countries which give the best price and quality," says Madan Sabnavis, Chief Economist, CARE Ratings. "These are private actions. Importers are discerning and have their nose to the ground while choosing partners. The dominance of China is due to the kind of goods which they export to India. Machinery and electronics, where they have an advantage, dominate."

"China is deeply embedded in the Indian production process with the country's share in imports of parts and components (P&C) such as blades, engines, electronic instruments, etc, rising from about 5 per cent in 2001 to more than 30 per cent in 2021," says Nilaya Varma, Co-founder and CEO, Primus Partners. "Reducing dependence on China would be a very long process that would include building partnerships with other like-minded countries, developing domestic industry and products to become self-reliant in critical areas and building ex-

$65 **BILLION** Value of Chinese imports in FY21. China's share in imports of parts and components rose from 5 per cent in 2001 to over 30 per cent in 2021

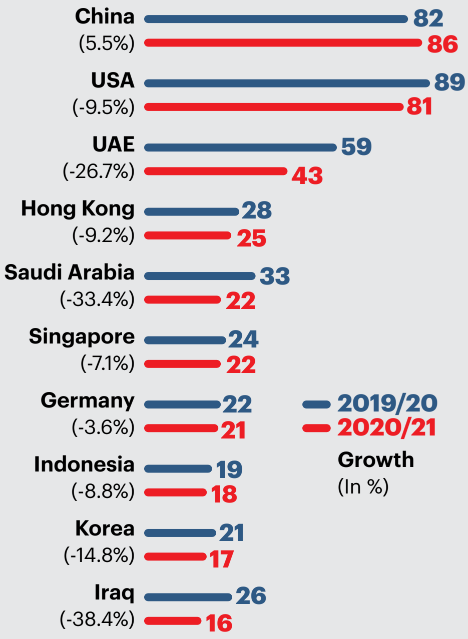
The Trade Factor

With bilateral trade of $86.4 billion in FY21, mainland China emerged as India's largest trading partner, overtaking the US in the process

GRAPHICS BY TANMOY CHAKRABORTY
ILLUSTRATION BY RAJ VERMA

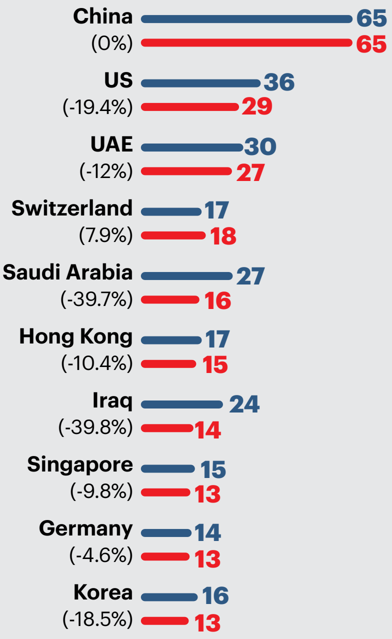
INDIA'S BIGGEST TRADE PARTNERS

(Figures in $ billion)



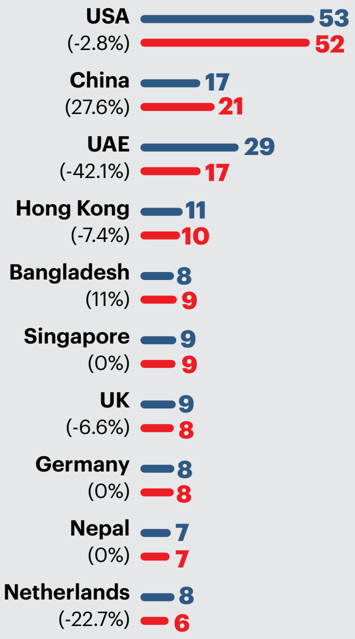
BIGGEST IMPORT SOURCES

(Figures in $ billion)



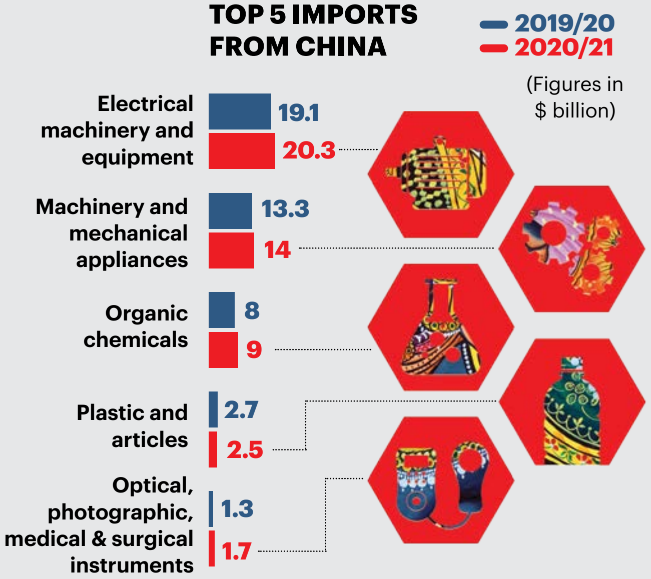
BIGGEST EXPORT DESTINATIONS

(Figures in $ billion)

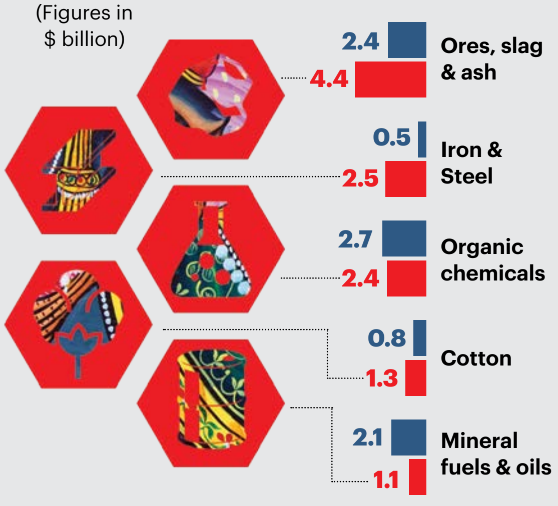


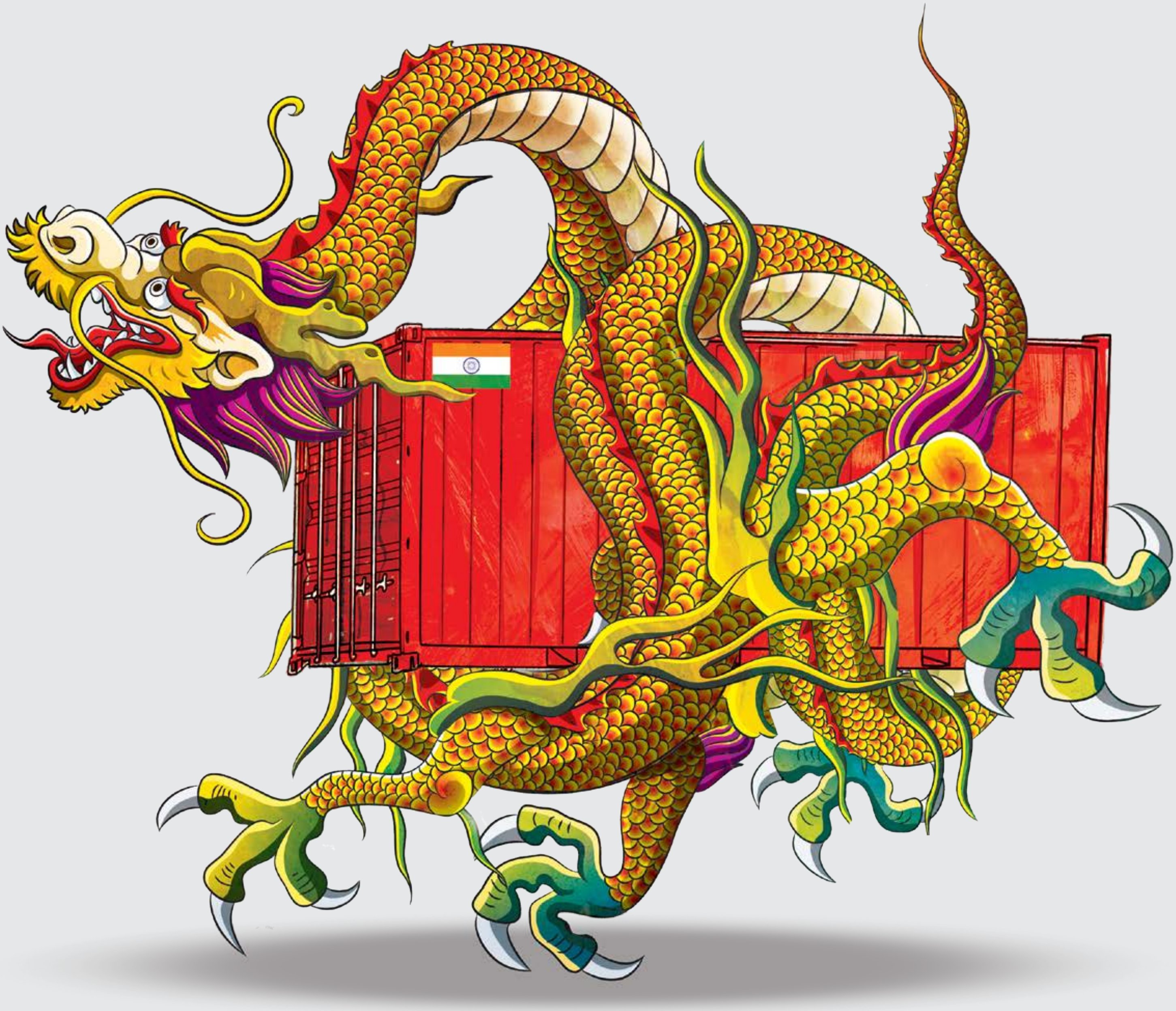
Numbers rounded off

TOP 5 IMPORTS FROM CHINA

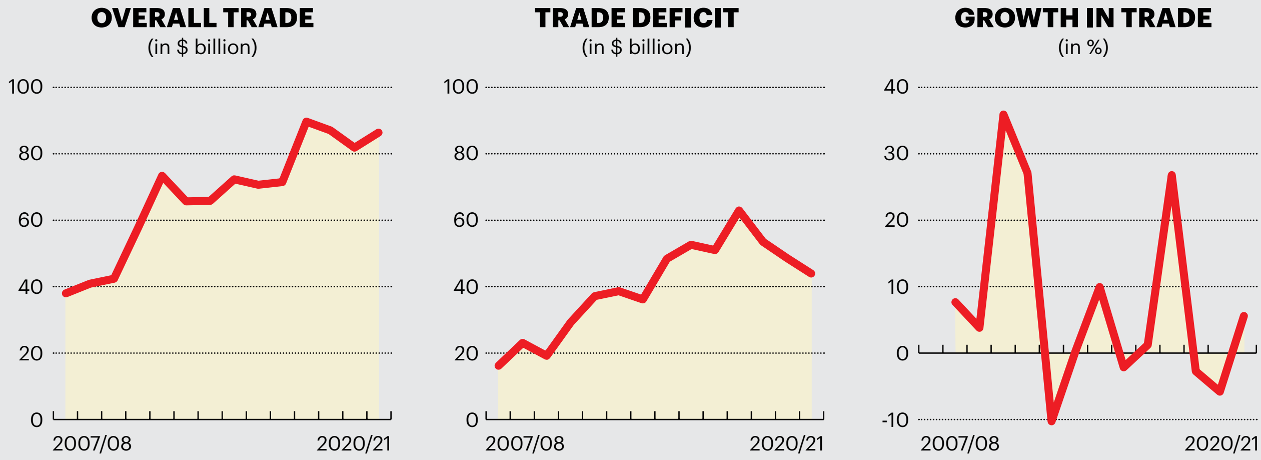


TOP 5 EXPORTS TO CHINA





India And China: Shipment Details



All figures have been rounded off; Source: Ministry of Commerce

₹2

LAKH CRORE

Corpus for the PLI schemes covering electronics and automobiles, textiles and pharmaceuticals, food and steel

port capabilities for Indian products."

It's not just that trade is skewed in favour of China. The composition of products India imports from there also benefits China. Machines and electronics account for more than half the import basket in value terms. These are also the two categories that have been targeted by policy actions in the last few years.

In Budget 2019, duties on a range of consumer durables such as air-conditioners, CD, DVD, CRT monitors and TV and plasma display panels were raised. Similarly, in 2020, duties on electrical appliances, including fans, water heaters, ovens, electric vehicles and compressors for refrigerators and air-conditioners were hiked.

After the Galwan clash, restrictions on China, be it on imports or investments, increased further. In April 2020, the commerce ministry's Department for Promotion of Industry and Internal Trade (DPIIT) amended FDI guidelines to curb investments from China. Aimed at preventing an opportunistic takeover from across the border, any fresh FDI investment from China now requires a specific nod from the government. It puts a spanner in the wheel of companies like Chinese SUV maker Great Wall Motor, whose plans for a foray into India included the purchase of US auto giant General Motors' Talegaon factory in Maharashtra.

Similarly, the Indian government banned 59 Chinese apps, including the very popular TikTok, in June last year, on grounds of data security. In September and November, another 118 and 43 apps, respectively, were added to the list.

Not surprisingly, electronics and machinery once again received special attention. In end-July last year, the government shifted colour televisions from the free- to the restricted category. This had been done for imported tyres just before the military skirmish in June. In the next few months, the list was expanded to include incense sticks and air-conditioners.

Yet, import of electronics and machines from China grew nearly 6 per cent in FY21. China accounts for over

PHOTOGRAPH BY K ASIF

> *"China has built an ecosystem that makes them highly competitive in a part of the supply chain of electronics that includes specific machines and electronics parts... Cutting off our ties with China will make us fundamentally uncompetitive and permanently weak"*
>
> **Pankaj Mohindroo,** Chairman, India Cellular and Electronics Association

PHOTOGRAPH BY YASIR IQBAL

> *“There is an awareness regarding the impending problems among the public and policymakers, but much more needs to be done at the policy level”*
>
> **Gopal Krishna Agarwal,** National Spokesperson, BJP

40 per cent of all electronics and machines that India imports.

“Temporary measures taken post Galwan have helped to an extent. Our imports have come down slightly between 2019/20 and 2020/21, but exports have increased significantly during the period. But since the base for exports is small, the impact on the deficit has not been significant,” says Gopal Krishna Agarwal, National Spokesperson for the BJP. “Though these steps have brought awareness about the impending problems among policymakers and the public, much more needs to be done at the policy level.”

There is a silver lining, though. While the trade deficit is still substantial, it is significantly less than what it used to be — from a high of $63 billion in FY18, it has come down to $44 billion in FY21, the lowest in seven years. “It shows that we are on the right track and policy measures are working. From a time when there was always an increase in the deficit, we have come to a juncture when it is falling rapidly,” says Ashwani Mahajan, Co-convener of the Swadeshi Jagran Manch, an arm of the RSS, one of the staunchest advocates of economic self-reliance. “Our dependence on Chinese goods was so much that the domestic industry was suffering. Efforts to reverse the trend started from 2018 onwards. That was the first time when a finance minister raised tariffs even though protectionism was considered a bad word. Those measures have yielded results.”

The trade deficit has come down more due to increased exports from India than any reduction in imports. India’s exports to China increased over 27 per cent to $21.2 billion, a sharp contrast from its overall export performance, which declined 7 per cent. The increase is almost entirely accounted for by iron and steel, minerals, ore and cotton.

“I am not very happy with higher exports as we are shipping more raw materials — iron ore and minerals to China,” says Mahajan.

End Of The Consumer Backlash

Did the theatrics of smashing smartphones and television sets reflect on actual sales? It did, but only for a short period. Over the last five years, Chinese smartphone makers such as Xiaomi, Vivo, Oppo, Realme, Poco and One Plus have cornered a giant share of India’s burgeoning smartphone market, which had annual sales of over 150 million units in 2020 (the second-largest globally). They have also replicated this success in the nascent smart TV segment. In the first quarter of calendar year 2020, Chinese-origin smartphone makers commanded an over 80 per cent share in this market. In the third quarter of the year, with the anti-China sentiment at its peak, there was a nine percentage points decline. This also resulted in market leader Xiaomi losing its crown to South Korean electronics giant Samsung — a 24 per cent share as against Xiaomi’s 23 per cent. This was, however, short-lived. In the next quarter, Xiaomi reclaimed its position with 26 per cent market share as against Samsung's 20 per cent. In the first quarter of this year, too, the numbers were the same. The anti-China buzz has fizzled out in a matter of months.

"Chinese brands accounted for 75 per cent share in the March-ended quarter. Xiaomi led the market, followed by Samsung, Vivo, Realme and OPPO," says Shilpi Jain, Research Analyst, Counterpoint Research. "The anti-China sentiment largely subsided by the end of the year with Chinese brands holding 75 per cent market share in 2020."

While it may be seen as a missed opportunity for Samsung, it could be a bigger loss for homegrown brands such as Micromax and Lava that had planned a big-bang comeback by cashing in on the anti-China sentiment. All of that seems to have come to nought.

75 **PER CENT** Share of Chinese brands in the Indian smartphone market in the quarter ended March 2021. Xiaomi led the market, followed by Samsung, Vivo, Realme and OPPO

"It was a godsend but we simply couldn't capitalise. Partly [because] we weren't ready and we didn't have the scale. The global semiconductor shortage also came out of nowhere and really hurt us," says a senior executive with a homegrown mobile manufacturing firm. "Even if we were prepared with products and marketing, the parts shortage would have sabotaged our plans."

"Rationality always takes over emotions. Until the proposition of Chinese companies is matched, consumers will make a rational choice," says Pankaj Mohindroo, Chairman, India Cellular and Electronics Association (ICEA). "However, if Indian companies can offer a similar proposition, many consumers will essentially go for non-Chinese products. It is a process. Once we create the ecosystem and domestic companies acquire the skills, the situation will change."

The Tryst For Self-reliance

Is it game over, though? Not really.

The desire to become a self-sufficient economy is neither new nor original. It isn't misplaced either as most countries in the world are aspiring for minimal import dependence. To do that, however, the domestic industry needs to overcome fundamental roadblocks such as high cost of capital and land, poor infrastructure, snail-paced bureaucracy and lack of adequate government support. All of this makes India Inc. uncompetitive in the global arena.

It is with this in mind that the government launched the ambitious Production Linked Incentive (PLI) Scheme, which offers a host of incentives across a gamut of sectors to make India capable of competing in the global market. The potential impact on trade ties with China is significant. It is also intentional.

"That policies will immediately change the overall trade dynamics in a globally integrated supply chain is too much to expect. In the aftermath of the Covid-19 pandemic, the Indian government took a series of measures to boost self-reliance in critical areas through the Aatmanirbhar Bharat initiative. This included raising tariffs on certain items to promote domestic industry and introduction of the PLI Scheme to boost domestic manufacturing," says Varma of Primus Partners.

"While the government has introduced many such schemes to pursue the path of self-reliance, there is always a lag between implementation and results. Hence, it would be too soon to deem the government's efforts as failure. Further, the pandemic has acted as an impediment to the quick rollout of such measures," he adds.

The corpus for the various PLI schemes covering electronics and automobiles, textiles and pharmaceuticals, food and steel, is massive — nearly ₹2 lakh crore. The first such scheme for manufacturing mobile phones and components has received an enthusiastic response with more than a dozen proposals.

"In the post-Covid economic scenario, globally there is a perception of manufacturing being shifted outside China as a risk diversification strategy. India, being a democracy, having independent judiciary and media, brings more comfort to global players as an alternative," says Agarwal of BJP. "This is an added opportunity for attracting foreign greenfield projects to India. Initiatives such as PLI, the new Logistics- and Industrial Policy are helping in this direction. Efforts of some states like Uttar Pradesh are also bringing positive results."

PHOTOGRAPH BY RAJWANT SINGH RAWAT

> ***"The policy measures are working. From a time when there always was an increase in deficit, we have come to a juncture when it is falling rapidly, which shows we are on the right track"***
>
> **Ashwani Mahajan**, National Co-convener, Swadeshi Jagran Manch

Much more needs to be done on land banks and land reforms, water, air, road and railway connectivity, setting up of district commercial courts and urgent notification of four Labour Codes.

If India can get right its localisation strategy, in electronics alone, the potential is significant. In printed circuit board assemblies (PCBAs) — the green colour board inside electronic gadgets that mechanically supports and electrically connects the components — ICEA believes that the current market size of $16 billion (FY20) will grow to $87 billion by 2025/26, representing a $71-billion opportunity in the domestic market. Thanks to the PLI Scheme for mobiles and smartphones, ICEA expects that 90-99 per cent of PCBAs will be locally assembled in future. Smartphones account for over 80 per cent of the PCBA market.

Similarly, in flat-panel displays, a surge in demand for consumer durables such as smartphones is likely to more than treble India's market from $5.4 billion in 2020 to nearly $19 billion by 2025. Globally, the market for flat-panel displays was valued at $100 billion in 2020. It is projected to grow to over $125 billion by 2024. Mobile phone and TV product segments account for more than 65 per cent of industry revenues, while notebooks, monitors, tablets, automotive and other applications account for the rest. This offers an export opportunity for India of up to $11 billion per year by 2025. With a corollary benefit of reduction in imports, an estimated 2,00,000 jobs could be generated in the sector.

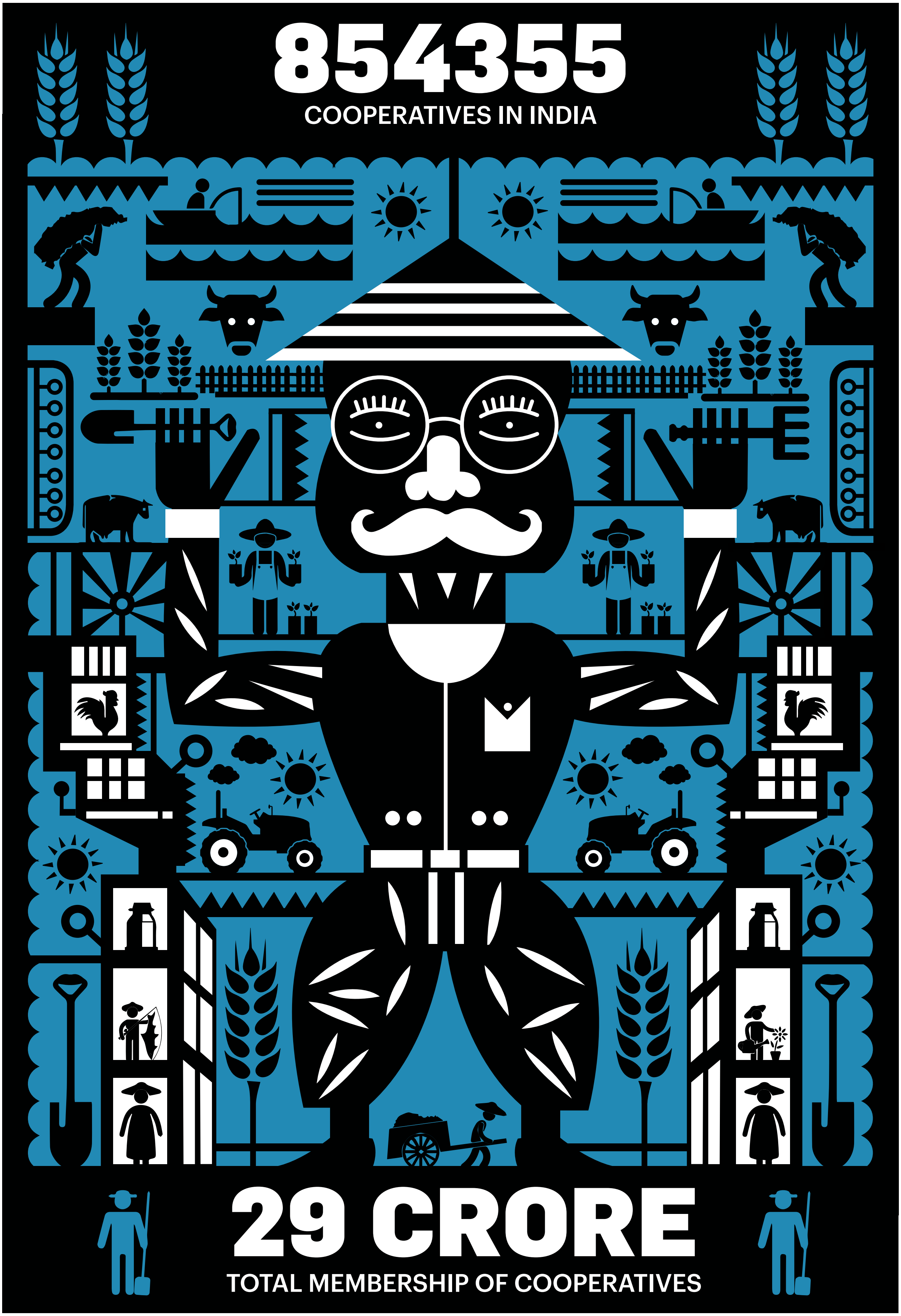
"Keeping politics in mind, India should ideally reduce the dependence because in case of a serious discord between the two countries, there should be a fallback option," says Sabnavis of CARE Ratings.

This will, however, bear fruit in the medium to long term, and in the interim, India cannot wish away China — a country that has established itself as the factory to the world — just like that. More importantly, in-house manufacturing is capital-intensive and consistency in policy would be the key to scaling up. India needs to stay the course.

"China is a significant global factory. We need to use globally competitive inputs from China to be competitive in the world. However, we must also have a clear strategy to occupy a part of the global value chain. It would not only reduce our trade deficit with China but also create strategic interdependence," says Mohindroo of ICEA. "This strategy would ensure that China cannot twist our arms with a similar dependence on the Indian supply chain to be globally competitive."

For India to shrug off China's oversized shadow, it will not be a T20 game but a hard grind. We are still not the best when it comes to Test matches. **BT**

@sumantbanerji


854355
COOPERATIVES IN INDIA
29 CRORE
TOTAL MEMBERSHIP OF COOPERATIVES

COOPERATIVES 2.0

THE NATIONAL COOPERATIVE POLICY, FUNDING SUPPORT AND LEGISLATIVE MEASURES TO TURN COOPERATIVES MORE TRANSPARENT AND PROFESSIONAL CAN BOOST GROWTH IN A BIG WAY

BY **JOE C. MATHEW**
ILLUSTRATION BY **ANIRBAN GHOSH**

We have 33 supermarkets at the moment. The target is 1,500 in five years.” S.B. Jayaraj, who is gung-ho about his organisation’s plans for Kerala, is not just another retailer. He is the general secretary of the Kerala chapter of Sahakar Bharati—a pan-India body that aims at strengthening the cooperative movement in India, and an affiliate of the RSS, the ideological parent of the ruling BJP. Jayaraj has just got Ernakulam-based Bharath Agro Processing and Marketing Cooperative (BAMCO) registered as a multi-state cooperative society. The first supermarket under the new entity has been opened recently. With over two dozen Grameen Samrudhi stores mentored by Sahakar Bharati since 2017 also being brought under the BAMCO umbrella, the society is all set to have its presence felt in the state.

In fact, Sahakar Bharati’s plans for the state are more holistic. “We have almost 25 farmer producer organisations (FPOs) sanctioned, and some are already functional in various districts of Kerala. Each FPO has 350-750 farmers registered as shareholders. The farmers will be harvesting, procuring, value-adding their produce through their FPOs. We expect farmers’ income to double,” says Jayaraj. BAMCO will eventually market the products sourced from Sahakar Bharati-mentored FPOs and cooperatives that will be established not only in Kerala, but in Karnataka, Tamil Nadu and even Lakshadweep. In the long run, the organisation wants to mentor cooperative societies that go beyond the agri-rural sector and run hospitals, schools and production units, adds Jayaraj.

BAMCO’s growth plans represent the spirit behind Prime Minister Narendra Modi’s decision to announce a new Ministry of Cooperation on July 6 with Amit Shah as the minister-in-charge. Stating that the new ministry will provide a separate administrative, legal and policy framework for strengthening the cooperative movement in the country, the government termed the decision as a step towards realising the vision of *‘Sahakar se Samriddhi’*, or economic prosperity through cooperatives.

Cooperatives are not new to India. There are 8.54 lakh cooperatives with 29 crore members in the country. They cover 98 per cent of India’s ₹100-lakh-crore rural economy. The world’s two leading cooperatives (based on ratio of turnover over Gross Domestic Product per capita) are the Indian Farmers Fertiliser Cooperative Ltd (IFFCO) and the Gujarat Cooperative Milk Marketing Federation (GCMMF). Even Sahakar Bharati was formed in 1978. The government says its plan is to deepen this existing structure “as a true people-based movement reaching up to the grassroots” by streamlining processes for ease of doing business for cooperatives and encouraging development of Multi-State Cooperatives (MSCS). “A comprehensive, uniform national cooperative policy is required. The law is very complicated when it comes to taxation of cooperatives. It is hampering (their) growth. These things have to be reconciled. Political interference should be reduced and cooperatives should not become a platform for political activity. Reforms of the registrar of cooperatives are required.

PROUDLY®
CO-OPERATIVE

Home Minister Amit Shah (second from right) is also in-charge of the new Ministry of Cooperation

A SNAPSHOT:
CREDIT COOPERATIVES (ALL TYPES)
1,77,605

NON-CREDIT COOPERATIVES (ALL TYPES)
6,76,750

DEFUNCT/DORMANT
52,440

The (new ministry's) mandate is to empower people, financially," says Gopal Krishna Agarwal, National Spokesperson, Economic Affairs, BJP.

The response to Modi's plans are mixed. While no one objects to the idea behind the move, there are some who say the objective is political and aimed at unseating political opponents from highly powerful cooperatives they control. Others feel a dedicated ministry will strengthen the cooperative movement for the larger good. The initial moves of the current government and a Supreme Court verdict on July 20 over a Constitutional Amendment that was carried out to reform cooperatives by the previous Congress-led government a decade ago suggests the formation of the ministry has come at a crucial time. It will have an impact on India's well-entrenched cooperative movement.

Cooperation Ministry

Immediately after Finance Minister Nirmala Sitharaman announced in her Budget speech the government's plan to set up a separate administrative structure for multi-state cooperatives, Parshottam Rupala, the then Union minister of state for agriculture, swung into action. The 'Credit Division' under his ministry was in charge of multi-state cooperatives then. The joint secretary (co-operation) in the agriculture ministry was doubling up as the 'central registrar', in charge of MSCS. A separate structure meant hiving off the division for a bigger role. "He (Rupala) spoke to us, and we organised national- and state-level consultations to have stakeholder views on changes they expect and things that need to be in place for a smooth sail and ease of doing business in the cooperative sector," says Sudhir Mahajan, Chief Executive, National Cooperative Union of India (NCUI). With 268 national cooperative societies, state cooperative unions, state-level cooperative federations and multi-state cooperative societies as its members, NCUI represents cooperative societies across dairy, sugarcane, textiles, fisheries, marketing, banking, consumer services, etc. "We got responses from 14-15 states. The decentralisation of the Central Registrar's Office is one demand. The second is the compatibility of various state and Central legislations," Mahajan says.

WHAT SUPPORTERS EXPECT...

- **Will deepen** and expand co-operative network in the country
- **Liberalise** cooperatives from the clutches of politicians and bureaucracy
- **Better access** to government schemes, funds
- **Creation of** Amul-like national and international brands
- **Training** and upgradation of skills of 8.5 lakh cooperatives

WHAT OPPONENTS FEAR

- **Violation** of constitutional rights
- **Displacement** of large section of existing cooperatives
- **Centralisation** of powers
- **Less** developmental goals, eyeing political gains for BJP
- **Facilitating** ease of doing business for corporates in agri-rural businesses

Priorities of the 'Credit Division' will change now. If there was too much focus on agriculture produce, credit and marketing cooperatives earlier, the ministry could have separate departments or administrative divisions for different sectors. Amit Shah has been dropping ample hints, during his initial stakeholder meetings, in this direction.

"He (Amit Shah) spoke to us for almost one and a half hours on July 15. We have submitted a 14-point agenda. He agreed, in-principle, on most issues," says Uday Vasudev Joshi, National General Secretary, Sahakar Bharati. "We want the government to extend the ease of doing business norms to all cooperative societies, including primary societies. We believe cooperative is a distinct form of ownership and should have operational freedom. Normally, in 95 per cent of societies, there is not a single rupee investment from the government. So, why should each and every matter be brought up for permission to the government? This was highlighted by us. The minister's response was encouraging," Joshi says, adding that Shah has assured the government will try to strengthen primary agricultural cooperative societies. Having linkages with more than 80,000 cooperatives in over 480 districts of 27 states, Sahakar Bharati is no pushover. But Central intervention in primary societies is trickier than it seems for one specific reason: state-level cooperatives are exclusively under the administration of states. The Centre's role is currently limited to framing rules for multi-state cooperative societies, a hurdle the government will have to overcome.

The Hurdle

In 2011, the Manmohan Singh government passed an amendment to the Indian Constitution (the Constitution 97th Amendment Act) to give the Centre more powers to ensure democratic, autonomous and professional functioning of cooperatives. The amendment was meant to empower cooperatives by giving them more autonomy, democratic control and professional management. Regular conduct of elections, general body meetings and professional audits were also expected as the outcomes of the amendment. The amendment became necessary as cooperative societies came under the State List of the Constitution, giving exclusive legislation-making powers to state governments. While the Centre had discussed this matter with the respective state cooperation ministers, they passed the legislation without getting it approved in at least 50 per cent of state legislative assemblies. The Act got struck down by the Gujarat High Court for precisely the same reason (that cooperative societies is a 'state' subject) the next year. An appeal has been pending in the Supreme Court (SC) on the subject and it was expected that a reversal of the High Court (HC) judgment will provide more teeth to the new cooperation ministry. The SC, however, upheld portions of the HC verdict that pertained to state cooperative societies and only permitted the Act to be applicable to Multi-State Cooperative Societies. The verdict, in a way, lists out the first task before the new ministry: to get the 97th Constitutional Amendment ratified by legislatures of not less than half of the states before it is made a law.

"Let the government follow the procedural matter, which has been insisted by the Supreme Court. Once we obtain the permission from more than half the state assemblies, the court will have no objection. If the 97th Constitutional Amendment gets sanctioned, the government will give autonomy to the cooperatives sector. It will bring in uniformity in the Cooperative Societies Acts of different states. It will also see the process of registration of cooperative societies becoming smooth, leaving minimum discretionary powers to the registrar," says Mahajan.

With most states being ruled by BJP and its allies, getting a sanction for powers to enact model laws for state cooperatives may not be difficult. But the government will have to face Opposition charges that the whole attempt is meant to overthrow the control political parties opposed to BJP have in powerful cooperatives in the sugarcane sector (particularly in Maharashtra), the banking sector in Kerala, among others. "Except Gujarat, cooperatives are strong in non-BJP ruled states. Hence, the objective of creating this ministry seems to be doubtful as cooperatives currently come under the direct control of state governments. Now the government will come out with a Bill or an Ordinance, and take this (controlling power) out. And what is the motive? It is to control these cooperatives," alleges Gourav Vallabh, Spokesperson of the Indian National Congress. "In Maharashtra alone, there are two lakh-plus cooperatives. The total number of members are five-crore plus, which is about half the population of Maharashtra. BJP wants to have a control over those societies," adds Vallabh. According to him, there cannot be a single policy for cooperatives as issues of cooperatives are not similar across the country. "I agree we require better regulation for cooperatives. But the solution BJP is suggesting is going to create a bigger problem." The All India Kisan Sabha (AIKS), a farmer organisation affiliated to the Left parties, also says "the Union government will use its legislative and financial powers and try to facilitate BJP's control over cooperatives and take them away from Opposition parties."

The Way Ahead

There are, however, many who find great promise in the government's plans. R.S. Sodhi, Managing Director of GCMMF, the cooperative that owns the Amul brand, says the formation of the ministry shows the government has recognised the importance of the cooperative way of doing business in India where the economy consists of small traders and entrepreneurs. "In the corporate way of doing business, a few people own and pocket profits. In cooperatives, ownership is with ordinary people and profits are shared by lakhs of people. When you say cooperative, what comes to our mind is agri-cooperative, dairy cooperative, banking cooperative and housing cooperative. No, that is

GLOBAL SCALE: THE BIGGEST COOPERATIVES

	Country	TURNOVER/GDP PER CAPITA (In $, 2018)
IFFCO	India	3,715,708
Gujarat Cooperative Milk Marketing Federation Ltd	India	2,419,575
Groupe Crédit Agricole	France	2,140,274
Groupe BPCE	France	1,513,648
Zenkyoren	Japan	1,484,626

Source: World Cooperative Monitor Report 2020

PHOTOGRAPH BY RACHIT GOSWAMI

“IN COOPERATIVES, OWNERSHIP IS WITH ORDINARY PEOPLE AND PROFITS ARE SHARED BY PEOPLE UNLIKE IN THE CORPORATE WAY OF DOING BUSINESS”

R.S. SODHI, MD, AMUL

“THE NEW MINISTRY WILL BE HELPFUL TO COOPERATIVES. IT CAN BRING QUALITATIVE CHANGES FOR THE RURAL POPULATION”

U.S. AWASTHI, MD, IFFCO

not the purpose (of the ministry). Small producers, small entrepreneurs, small traders can all be part of a cooperative system,” says Sodhi. “The cooperative sector touches lakhs of lives, but there was no ministry. Today, there is not only a separate ministry, but also the most important person in the Cabinet as its minister. The government is very serious that wealth should be shared by more people.”

U.S. Awasthi, Managing Director, IFFCO, agrees. “At one time, the cooperative way of doing business was part of the planning process and there used to be a separate budget for cooperatives. The new ministry is going to be quite helpful to cooperatives. It can bring qualitative changes for the rural population.” He says IFFCO’s proposal to set up a cooperative bank has been pending with the government for long. “Maybe the government will clear that and create a central bank for cooperatives. I see a lot of opportunities.”

The diversification of the cooperative sector into non-traditional areas may be a game changer. In fact, the government had taken the first steps in this direction even before a new ministry was announced. Ayushman Sahakar, a scheme of National Cooperative Development Corporation (NCDC) for financial assistance to cooperatives on holistic healthcare infrastructure, education and services, is one such initiative which will find tremendous interest among cooperatives in the coming years.

“We have decided, particularly in the backdrop of the pandemic, to focus on the health sector. These will be cooperative hospitals or establishments offering healthcare services approved by NCDC under Ayushman Sahakar,” says Sahakar Bharati’s Joshi.

All eyes are on to the next step the government takes to get the new ministry functional at the earliest. BT

@joecmathew

ATEMP

PORARY BLIP

WITH SOLAR PVs AND MODULES BECOMING EXPENSIVE, LOCAL MANUFACTURING INITIATIVES MAY SAVE THE DAY FOR INDIA'S LONG-TERM SOLAR ENERGY PLANS

BY **P.B. JAYAKUMAR**

PHOTOGRAPH BY SHAILESH RAVAL

PHOTOGRAPH BY BANDEEP SINGH

Reliance Industries (RIL) Chairman Mukesh Ambani recently unveiled a green energy plan. And, like everything else about RIL, it was grand — ₹75,000 crore to be precise. "By 2030, the company aims to have 100 gigawatts (GW) solar capacity, which will be more than a fifth of the 450 GW renewable energy target set by the government for the country," Ambani told RIL shareholders at the company's latest annual general meeting.

More than that, he said, RIL is developing a Dhirubhai Ambani Green Energy Giga Complex over 5,000 acres in Jamnagar which will have four giga factories, including an integrated solar photovoltaic (PV) giga factory. It will start with raw silica and convert it into polysilicon, which will then be turned into ingots and wafers. These wafers will be used to make solar cells and finally assembled into solar modules.

In short, RIL is looking for an end-to-end solution to what is fast turning out to be the biggest roadblock to India's ambitious solar power plans — shortage of capacity to manufacture solar modules and the resulting import dependence. "We will target costs that are the lowest in the world," he said.

RIL may be the most ambitious but is not the only game in town. Encouraged by the government's attempt to push local manufacturing through import duties and production-linked incentives, a host of companies such as Vikram Solar, Adani Solar and ReNew Power have drawn up plans to make solar power equipment in the country. Their initiatives will be the key to India's ambitious solar capacity addition targets. The country aims to produce 450 GW of renewable energy by 2030. Of this, 280 GW (over 60 per cent) will be solar, which means the country has to add 25-30 GW solar capacity every year for the next 8-10 years.

> **"BY 2030, RIL AIMS TO HAVE 100 GW SOLAR CAPACITY, MORE THAN A FIFTH OF INDIA'S 450 GW RENEWABLE ENERGY TARGET"**
>
> **MUKESH AMBANI,** Chairman & MD, RIL

India has every chance of meeting these targets. However, there is a hitch. The country's solar PV cell manufacturing capacity is only around 3 GW per year, solar PV module capacity is only 10 GW per year and it does not make the three key raw materials for solar panels — polysilicon, wafers and ingots. The result is 85-90 per cent dependence on imports, mainly from China, which controls almost the entire global supply chain in solar power manufacturing.

Can manufacturing plans of the likes of RIL break this dependence and put the country's solar power plans on a fast track?

Chinese-led Crisis

Over the last few months, raw material prices have been increasing, inflating solar equipment prices and forcing

PHOTOGRAPH BY VIVAN MEHRA

> **“LOCALISATION WILL CREATE JOBS ACROSS DOWNSTREAM SECTORS SUCH AS GLASS, FABRICATION AND INSTALLATION”**
>
> **SUMANT SINHA,** CMD, ReNew Power

developers to postpone imports and put many projects on hold. Ratings agency Crisil estimates that rising solar panel module prices may hit returns from 12 GW of solar projects which have been bid out at tariffs of less than ₹2.5 per unit after March 2020. Returns will dip by 200 basis points and future tariffs rise by 10-15 paise per unit, it says. Modules account for more than 50 per cent cost of a solar power project. “Assuming no further strengthening of rupee against the dollar, at $0.25 per watt, the landed cost of solar modules will be higher by over 10 per cent in rupee terms and project costs will rise by 6-7 per cent in this calendar year,” says Ankit Hakhu, Director, Crisil Ratings.

“It is clear that for projects under construction, some of these increased prices would not have been assumed while bidding, and to that extent, returns from such projects would be impacted. These higher commodity prices can be built into the tariffs for future bids,” says Sumant Sinha, Chairman and Managing Director of ReNew Power, one of India’s largest renewable companies.

This is a reversal of the long-term trend. Solar module prices had come down from $1,800 per kilowatt (kW) a decade ago to less than $180 per kW last year. This brought bids for solar power projects below the price being quoted for coal-based projects, triggering a solar power revolution that saw India adding nearly 30 GW of solar capacity over the last five years to reach over 40 GW till March. India imported over $2.16 billion worth of solar PV cells, panels and modules in FY19. Annual imports have been in the range of $2-2.6 billion since 2015, say sources.

But there was also a flip side to this. While the dip in prices powered India’s huge solar power capacity expansion, it also crippled its efforts to build capacity to produce the inputs. Chinese imports, after all, were dirt cheap, as the government there offered its solar sector numerous benefits such as free land and electricity, tax breaks, apart from indirect and direct funding. Chinese solar equipment companies such as Suntech Power, Yingli Green Energy, Trina Solar and LDK Solar created huge capacities, killing hundreds of manufacturers in the US and Europe. China’s solar PV manufacturing capacity, which was 106 GW in 2019, up from just 10 GW a decade ago, now accounts for over 71 per cent of the world total. The country is the largest producer of silicon wafers with 97 per cent market share. It controls 79 per cent of the PV cell market and 67 per cent of the market for polysilicon, the raw material used to make solar ingots and wafers. Its manufacturing capacity is well over 100 GW.

However, the pandemic changed this. Production and supply chain problems due to lockdowns, apart from high shipping freight rates and labour issues, pushed up prices of raw materials such as polysilicon, steel, aluminium, copper, PV glass and films. Solar panel prices rose 20-40 per cent. A fire at GCL Silicon’s polysilicon plant at Xinjiang in China early this month is expected to reduce global polysilicon production by another 10 per cent, further pushing up prices. “Solar EPC companies have borne the biggest brunt of change in prices in the last six months. Prices of all base metals went up by 20-40 per cent. These prices play an

71

PER CENT

CHINA'S SHARE OF GLOBAL PV MANUFACTURING

important role in deciding project costs," says Gyanesh Chaudhary, Managing Director, Vikram Solar, India's largest solar equipment maker.

"Many projects under way have been halted. The developers are asking for a price revision, but project costs are rising, causing them to postpone award of contracts," says Animesh Damani, Managing Partner, Artha Energy Resources, one of the leading companies in project development, M&A facilitation and project financing in the solar sector. While the number of deals has risen compared to last year, on-ground development has slowed down. Damani says he was not impacted as, like some of his peers, he took the risk of ordering equipment in bulk and storing it in warehouses, instead of the usual practice of placing orders after winning a contract.

For a Level-playing Field

Amid these pressures, India has been trying to encourage domestic solar equipment manufacturing. The aim is to insulate its solar plans from global risks. The government plans to impose a 40 per cent basic customs duty (BCD) on solar modules and 25 per cent on solar cells from April 1, 2022. Earlier, following large-scale imports, it had imposed a 15 per cent safeguard duty from July 30, 2018, on solar cells and modules from China and Malaysia. That was set to expire on July 29 this year but has been extended by a year.

This may increase costs for developers but will help India build own capacity. "This is a step in the right direction. The duty will make module imports from China unviable. The idea is to level the playing field between domestic and foreign manufacturers and enhance energy security. Localisation will also create jobs across multiple downstream sectors such as glass, fabrication and installation," says Sinha.

That's not all. Two years ago, Solar Energy Corporation of India tendered 12 GW of solar generation capacity, and within that tied a contract for 3 GW of domestic module manufacturing capacity. Recently, the government approved a Production-Linked Incentive (PLI) Scheme for solar PV manufacturing with the Ministry of New and Renewable Energy allocating ₹4,500 crore ($603 million) for encouraging investments in high-efficiency solar PV modules. The government has also announced a separate PLI Scheme for battery storage. The aim is to achieve manufacturing capacity of 50,000 Mwh. The outlay is ₹18,100 crore.

The results are showing. At a recent renewable energy equipment manufacturing meeting organised by industry body Confederation of Indian Industry, Union Power Minister R.K. Singh said the government has received interest from companies for building "large quantities" of solar equipment in the country. Indu Shekhar Chaturvedi, Secretary, Ministry of New and Renewable Energy, said at the event that, according to initial estimates, bids amounting to 30 GW would be submitted under the PLI Scheme. Vikram Solar recently inaugurated a 1.3 GW module manufacturing facility in Chennai to become India's largest module manufacturer with 2.5 GW capacity. Chaudhary of Vikram Solar says the Kolkata-based company is planning to invest over ₹5,000 crore in the next five years to set up over five GW manufacturing capacity. Reportedly, about 15 companies such as US silicon wafer maker 1366 Technologies, First Solar, Acme Solar, Vikram Solar, ReNew Power and Adani Solar are planning investments worth over $3 billion in India's solar equipment manufacturing sector.

Experts, though, say that more is required. "The introduction of the PLI Scheme doesn't mean Indian manufacturers can compete with China. India's cost of manufacturing is competitive but input costs are very high. This makes us uncompetitive. The Chinese government is providing its companies 15 per cent export incentive, free land, staff salaries for some years and soft loans. That is why they are able to dump

RISING SHARE OF RENEWABLE POWER (IN %)

0	2000
0	2010
4	2020
15.9 P	2030
31.4 P	2040

P: PROVISIONAL

INSTALLED SOLAR PV CAPACITY (IN MW)

12,289	2017
21,651	2018
28,181	2019
34,627	2020
40,085#	2021

AS OF MARCH 2021; SOURCE: IEA

> “EPC COMPANIES HAVE BORNE THE BIGGEST BRUNT OF CHANGE IN PRICES IN THE LAST SIX MONTHS. THESE PRICES PLAY AN IMPORTANT ROLE IN DECIDING PROJECT COSTS”
>
> **GYANESH CHAUDHARY,** MD, Vikram Solar

their products,” says Saibaba Vutukuri, CEO of Vikram Solar. India needs to levy a 40 per cent BCD to expand the domestic solar manufacturing market in India, he says. Chinese products are 25-30 per cent cheaper than Indian products. If its prices fall a further 10 per cent, it will probably start dumping its modules in India again, the industry fears.

Getting Back on Track

In spite of the uncertainties, the sector will soon bounce back, say top industry executives. “Despite the initial challenges related to Covid-19, the sector’s recovery has been swift with construction activity picking up. Demand for power is also rising. This month (July) saw the highest-ever peak demand for power. The rest of the year should see many projects getting commissioned and several power purchase agreements being signed,” says Sinha of ReNew Power. Damani of Artha Energy estimates that solar module prices are likely to cool off by the end of the year. This will bring back the momentum. Auctions for more capacity, including innovative tenders such as supply of round-the-clock power, are also helping the sector make a comeback, say industry executives.

Innovations and new technologies are also going to change the sector by bringing down the cost of modules over the years. The industry has been continuously innovating to further improve the efficiencies of the cells significantly. “The industry is also looking to innovate the wafer-making process. On the cell side, the real paradigm shift would be the introduction of the Perovskite-Si Tandem solar cells which would have higher efficiency and potential along with the capability to convert a large solar spectrum into electricity,” says Sinha.

The initiatives by the industry and the government could help India achieve its clean energy targets much before the current deadlines. BT

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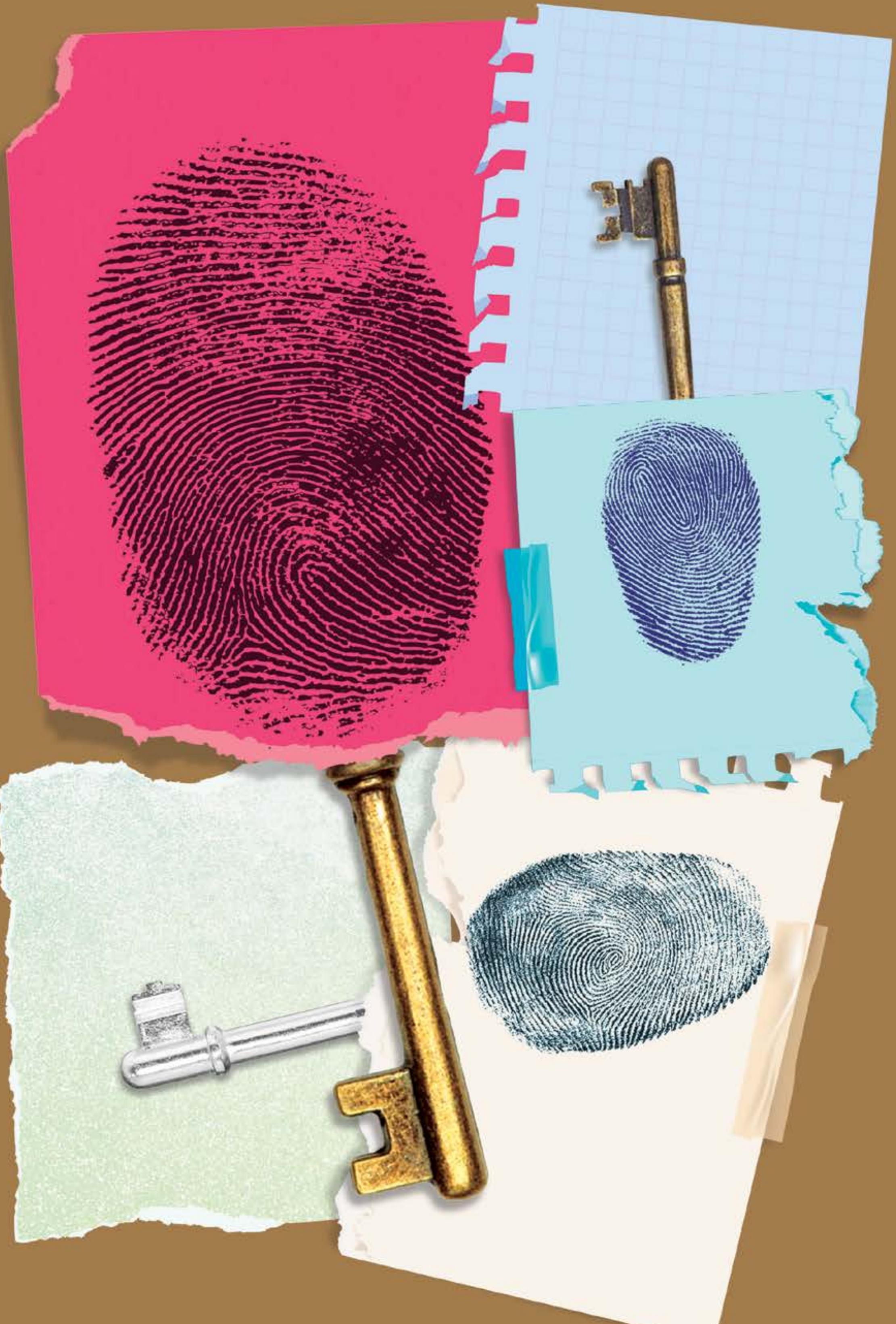
BYPASSING THE Pa55w0rd

Rising cybersecurity threats have opened up a huge market for companies offering passwordless authentication services

BY **NIDHI SINGAL**
ILLUSTRATION BY **RAJ VARMA**



IT TAKES INDIAN ORGANISATIONS nearly 228 hours, or nine-and-a-half days, on average to detect a cybersecurity breach, nearly double the global average of 117 hours, according to a survey by US cybersecurity firm CrowdStrike last year. Couple that with the fact that about 75 per cent of Indians — the highest among all countries — surveyed admitted their organisation suffered a ransomware attack in the last year, and it paints a dismal picture of the state of digital security in Indian companies.

It's not too surprising then that nearly every other day there is news about a cyber incursion. This year's list alone includes confectioner Haldiram's, hyperlocal concierge service Dunzo, Air India, and e-grocer BigBasket.

One of the easiest ways to infiltrate an enterprise's computer network is through an employee's account. Or more specifically, through password phishing. IBM's Security X-Force survey showed that 82 per cent of the 22,000 global respondents reuse their email and password combinations. While this makes it convenient for one to access multiple accounts, it is a bane for enterprises when the practice spills over into the workplace. And rather than sending out periodic reminders to employees to adhere to digital security protocols, enterprises are increasingly opting to minimise the employee's role in the security equation.

Enter passwordless authentication. This technology verifies a user account using a combination of more secure authentication factors such as a fingerprint, PIN, device specifications or its location, and digital tokens, among others.

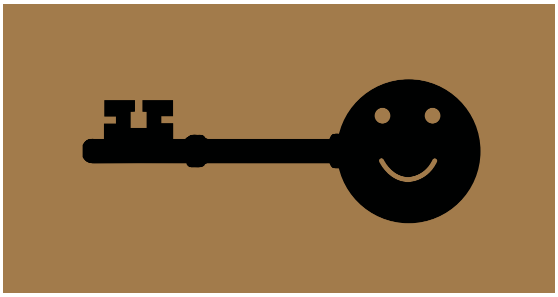
"It is perfectly safe to use passwordless authentication, and it can even be safer than the traditional username/password approach," says Mark Risher, Director of Product Management, Identity and User Security, Google. The tech behemoth has adopted a passwordless authentication standard called FIDO, or Fast Identity Online, for its employees and temporary vendor base globally. "Since doing that in 2017, we've had zero cases of password phishing. We have since been working on ways to roll this out for our users externally," says Risher.

The need for a robust security system became even more pressing during the Covid-19 pandemic that forced almost every single white-collar employee to work from home. Employee accounts are more vulnerable outside the protected confines of a company's internal network. As it was for Infosys, whose data-centre security didn't support the dispersion of employees. The company switched to Cloud connectivity and adopted a zero-trust framework, including passwordless authentication and certificate-based authentication of devices, for all its employees.

While still in its nascency, the passwordless authentication market was estimated to be worth $35.5 billion globally in 2019, according to Next Move Strategy Consulting. As more and more companies adopt the technology, the research firm expects the market to explode to top $450 billion by 2030, at a 29 per cent compounded annual growth rate (CAGR) from 2020. Meanwhile, Gartner estimates that by next year, 60 per cent of large enterprises and 90 per cent of mid-sized ones globally will implement passwordless authentication in over half of their use cases.

None more so than Indian companies. "By 2030, India is expected to lead the growth of passwordless authentication in the Asia-Pacific market along with China and Japan," says Vishak Raman, Director, Security Business, Cisco India & SAARC. The adoption, he says, will be given a huge fillip by the pervasiveness of smartphones with in-built facial and/or fingerprint recognition technology.

Cisco has deployed a zero-trust architecture for all its employees globally and their 120,000 managed devices, enabling them to access on-premise and Cloud applications without using a virtual private network (VPN). It has also helped a power station in India transition to secure, remote work quickly and seamlessly using its technology, including a solution that uncovers malicious domains, IPs, and URLs even before they are used in attacks.



GLOBAL PASSWORDLESS AUTHENTICATION MARKET

$35.48

BILLION IN 2019

$456.79

BILLION BY 2030

CAGR of 29.1% from 2020-2030
Source: Next Move Strategy Consulting

● PASSWORDLESS AUTHENTICATION IS BEING ADOPTED BY FINANCIAL, IT, TELECOM, RETAIL AND HEALTHCARE COMPANIES AS WELL AS BY SOME GOVERNMENT SERVICES, SUCH AS AADHAAR

Open Sesame

For nearly six decades, passwords have been the key to unlocking any online account, at work or at home, as well as access applications, on the Cloud or on the phone. However, what was once a security barrier to protect against a hacker has almost become a gateway for them. And this not only because people tend to use easily hackable passwords, but also because it is difficult, nigh impossible, for an organisation to differentiate between an employee and a hacker. That has forced the rise of passwordless authentication, with a much more secure process involving multi-factor authentication.

But it is not as if multi-factor authentication is brand new. In fact, two-factor authentication has been an option for many years on several email accounts. Moreover, using any combination of a password, PIN or biometric along with a one-time password (OTP) is widely prevalent, and even necessary, for most consumer apps, especially financial ones. However, this still requires a human to do all the legwork. What passwordless authentication aims to do is remove as much of the human element as possible.

"This type of authentication requires two or more verification factors that are secured with a cryptographic key pair to sign in. The device creates a public and private key when registered," explains Irina Ghose, Director, Cloud Solutions, Microsoft India. The private key can only be unlocked using a local gesture such as a biometric or a PIN, while the public key is an encryption, like a large numerical value, that is either software-generated or provided by the organisation and made available to all employees.

Any system is as strong as its weakest link, which is the employee in most enterprise security systems. This has become all the more glaring, and exploitable, as an increasing number of people work from home.

"We saw once we shifted to work from home on remote access technologies, the weakest link was the passwords that you needed to access your network," says Neehar Pathare, Chief Information Security Officer and Vice President, Information and Communications Technology, 63 Moons Technologies. "With today's social engineering skills, it's not very difficult to get a user's passwords. We needed an additional layer of security." This layer, for the Mumbai-based financial services firm, was deploying passwordless authentication ranging from basic Windows authentication for terminals using Azure to Citrix remote access solutions.

As passwordless authentication not only offers a secure login environment, but also eliminates weak and bad actors, it is being increasingly adopted by Indian financial, IT, telecom, retail, and healthcare companies as well as by some government services, such as Aadhaar. This growth is being driven by digital transformation initiatives, the alignment with zero-trust initiatives for

“By 2030, India is expected to lead the growth of passwordless authentication in the Asia Pacific market along with China and Japan. Growing penetration of smartphones and technologies such as facial and fingerprint recognition will be significant factors”

VISHAK RAMAN, Director, Security Business, Cisco India & SAARC

“Most organisations already use basic identity and access management (IAM) systems for both their employee and customer authentication needs. Most passwordless authentication technologies can be deployed on top of existing IAM systems”

VISHAL KAMAT, Director, IBM Security, IBM Software Labs, IBM India

digital identity, the adoption of a decentralised identity model, as well as the need to bolster defences against ever-rising, more sophisticated cyberattacks.

“Overall, the growth in the adoption of passwordless technologies is going to accelerate in the next three-five years ... with the adoption of stronger authentication standards,” says Vishal Salvi, Chief Information Security Officer and Head of Cybersecurity Practice, Infosys.

Penny Wise, Pound Foolish

Bad actors need to gain access to a company’s network only once to create havoc that could cost the company dearly in the form of hefty regulatory penalties and millions of dollars in ransom. The CrowdStrike survey revealed 34 per cent of Indian organisations paid between $1 million and $2.5 million in ransom in the last 12 months. Besides, a compromised company also pays an intangible price as they lose brand image and client trust. In that light, any expense on passwordless authentication offers a tremendous return on investment. However, not everyone sees it that way.

“Most companies hesitate to reassess their security systems either assuming a ‘this-could-never-happen-to-me’ mentality or are intimidated by the thought and presumed cost of implementing a new system. This is a misconception,” says Siddharth Gandhi, COO, Asia Pacific, 1Kosmos, a cybersecurity solutions provider. “Passwordless and biometric technology can be easily integrated into enterprises of any size for flat yearly fees and can be built upon as the necessity grows. Rather than patch-working existing systems, organisations can build their passwordless authentication from the ground up without extensive retraining or implementation costs,” explains Gandhi.

New Jersey-headquartered 1Kosmos has deployed its BlockID platform at Hitachi Systems Micro Clinic, a system integration company that itself sells security solutions to Fortune 500 companies in India. All of its 2,000 employees are using passwordless authentication for various software such as Windows, ERP, and all web-based or intranet applications. “Passwordless authentication not just takes care of all our headaches in terms

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>
> **SIDDHARTH GANDHI,**
> COO-Asia Pacific, 1Kosmos

THE BIG USERS

Google has deployed FIDO (Fast IDentity Online) for its employee- and temporary vendor base; it has not seen any case of password phishing after this

Hitachi Systems Micro Clinic has deployed Block ID for biometrics (by 1Kosmos) for all 2,000 employees in India

Cisco has implemented zero-trust architecture organisation-wide (including 120,000 managed devices) to access on-premises and Cloud applications without connecting via VPN

63Moons is using this for basic Windows authentication

of remembering credentials and passwords, it also fits in very well from the security viewpoint. We are working on deploying the service for the entire Hitachi Group,” says Anuj Gupta, CEO, Hitachi Systems Micro Clinic. Gupta also plans to roll out passwordless authentication to its customers.

Forget the cost of a breach, it is already quite an expensive proposition to maintain the robustness of the most basic of defences: resetting passwords. Every time an employee does so — due to a periodic requirement or because they have forgotten their old password — the company incurs a soft cost and a hard cost. The hard cost is the time an IT department takes to reset a password, while the soft cost is the lost productivity while an employee remains locked out of the system. And these costs add up.

For instance, Microsoft estimated it lost productivity worth $6 million and spent $3 million in hard costs before it switched to passwordless authentication. Today, about 90 per cent of its employees globally sign in to corporate systems, resources, and applications sans a password. “As a result, we have reduced hard and soft costs by 87 per cent,” claims Ghose of Microsoft India. She adds, “As our costs go down, the attackers’ costs go up, and Microsoft is less of a target.”

Besides, there is little to no hassle in adopting passwordless authentication as most hardware products today already use some form of biometrics recognition. “Most organisations already use basic identity and access management (IAM) systems for both their employee and customer authentication needs. Most passwordless authentication technologies can be deployed on top of existing IAM systems,” says Vishal Kamat, Director, IBM Security, IBM Software Labs, IBM India.

All said and done, companies can no longer afford to consider security tools such as passwordless authentication as “nice to have” accessories. Neither can they avoid their adoption. To do so would tantamount to self-sabotage, and make them another statistic in the next cybersecurity survey. BT

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The Amitabh Fan

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THE GREATEST STORY EVER TOLD!
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DWARKA DIVECHA
M.K.D. FILMS COMBINE
AASIA FILMS
कुली
MANMOHAN DESAI'S
LAXMIKANT PYARELAL

Kalpen Parekh, President of DSP Mutual Fund, which manages assets worth over ₹1 lakh crore, is a movie buff. Though his day begins and ends with thinking and reading about business, investing and money, he watches movies late at night when everyone else in the house is asleep. An ardent Amitabh Bachchan fan, Parekh has seen *Sholay* and *Coolie* more than 100 times each. “I keep watching the same movies again and again… It takes me back to my childhood memories,” he says. *Agneepath*, *Main Aazad Hoon*, *Sharaabi* and *Khuda Gawah* are some of his other favourites.

An active Twitter user, Parekh loves to provide simple and practical investing fundas to his followers on social media. Sometimes, his tweets include investment lessons from Amitabh’s movies as well. In May, he had tweeted referring to *Sharaabi*, “A movie where every line was iconic ‘Nashe me kaun nahi hai mujhe batao jara’ happens with us in our investing too.”

A fitness enthusiast, Parekh has started devoting more time to yoga and meditation since the lockdown last year. “They calm you down, help you maintain balance and aid you in your journey of being a balanced investor,” he adds.

–AVNEET KAUR

EVEREST
BASE CAMP
17,598 ft
5,364 m

Call Of The Mountains For Gupta

Born and brought up in Shimla, trekking came naturally to **Rahul Gupta,** Chief Executive Officer of Avanti Finance. "Growing up in the mountains, I had a strong affinity towards the hills. They always had a calming influence on me. I would often trek to Manali back in my college days." But then, "corporate and family life took over and trekking took a back seat. After all, it's a time-consuming commitment," he says. But whenever he has the time, Gupta loves to go trekking. "I discovered the joy of high-altitude trekking a few years ago when I climbed Mount Kilimanjaro with a few friends. I was based in Singapore then. The unique experience got me hooked! It was a tough climb, and the final climb, going from 15,000 feet to 19,000 feet, starting at midnight was the hardest physical thing I had ever done. I understood the concept of 'mind over body' completely," says Gupta. Everest Base Camp is another favourite.

"I love trekking as it gives an opportunity to experience beauty in its raw form. It takes you out of your comfort zone. The higher you climb, the harsher are the living conditions. At some point it becomes a spiritual experience," he adds. – APRAJITA SHARMA

Bahl, The Gardener

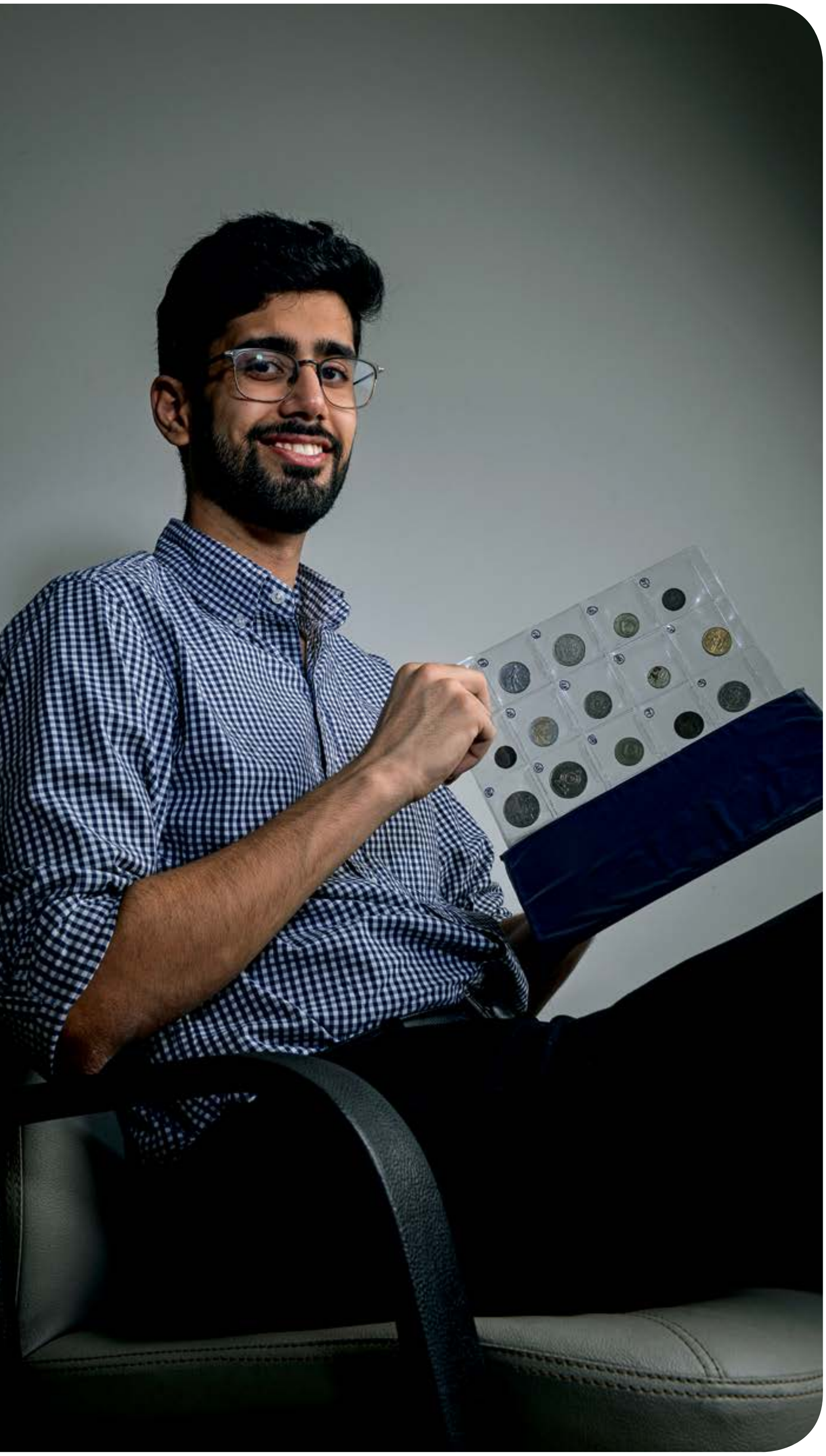
Neeraj Bahl, Managing Director and CEO, BSH Home Appliances, has a sprawling balcony garden in his apartment in South Mumbai where he grows a variety of bonsais and decorative plants such as croton, ferns and dieffenbachia. He has eight pots of money plant, which are his favourite. Gardening for Bahl is a stress buster. "It gives me a lot of energy and it is also good to have greenery around you," he says.

Gardening also gives Bahl life lessons. "Recently, four of my ferns were destroyed. However, I realised that there was still life left in them and I nurtured them. Within the next 10 days all the four had leaves in them. This incident gave me a lot of hope during the pandemic. It taught me never to give up even in the worst of times."

Gardening has been a way of life for Bahl right from childhood. He had won seven gardening competitions in school. His dream is to grow a lush green lawn on his terrace and have nothing less than 1,000 potted plants.

– AJITA SHASHIDHAR

PHOTOGRAPH BY MILIND SHELTE



PHOTOGRAPH BY RAJWANT RAWAT

The Global Coinman

Viraj Nanda, Co-founder, and CEO of Globalise, a platform that guides Indians to invest globally, is a coinman. He collects coins and is indeed an aficionado.

It all started when Nanda inherited coins of his great-grandfather. However, he soon fell in love with the rich heritage of the coins and the historic legacy they carried with them. "I tabulated my coins in a notebook, keeping a track of the countries of their origin, the value, their year, etc. The oldest coin I have is from 1874," he says.

Such was the passion that he would ask for coins as gifts when his father travelled across Asia for work. With time, digital records on Excel replaced pen-paper tabulation. A small collection turned into a montage of over 800 coins from 160 nations, in 115 currencies. "My target is to get coins of each currency in circulation globally, possibly in every denomination. I love talking about my coins with my friends and they help me increase my collection by bringing me some when they travel abroad," he says.

Nanda himself makes it a point to visit the flea markets of the nations he visits and return with a pocketful of cling-ing little metal pieces. "Come to think of it, this childhood hobby and my company are similar in some ways. I have collected coins from across the globe and Globalise helps Indians with global investing. It just fell into place."

—APRAJITA SHARMA

PHOTOGRAPH BY BANDEEP SINGH

Beyond Patanjali

Yoga Guru and Founder of Patanjali Ayurved, **Baba Ramdev**'s day begins at 4 a.m. and ends at 10 p.m. On being asked what he does besides running his ₹30,000-crore empire, the yoga guru's immediate response is that he hardly has time for himself. But, his 18-hour day isn't just about business. Ramdev spends a considerable amount of time training *sanyasis*. He is currently training 500 youngsters who are all set to renounce worldly life. "All these youngsters are highly educated. I am training them to embrace the world of the *sanyasi* and dedicate themselves to society." Some of these youngsters are also being groomed to take over Patanjali. "The future of Patanjali is in safe hands," he adds.

The yoga guru says he also spends time on Ayurveda research. "I also play sports when I get time. That's not too frequent though. I play kabaddi and even cricket."

– AJITA SHASHIDHAR

Best Advice I Ever Got

"IT IS OKAY TO GET INTO UNCHARTERED TERRITORY AND LOOK FOOLISH BECAUSE THAT'S WHERE THE LEARNING STARTS"

KULMEET BAWA, PRESIDENT AND MD, SAP, INDIAN SUBCONTINENT

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PHOTOGRAPH BY SHEKHAR GHOSH

What was the problem you were grappling with?
I was doing pretty well in the army. I was a cavalry officer. I was in the Armoured Corps. Everything was going well. There was no reason to quit, but I wanted to come out of it.

Who did you approach?
I remember chatting with my dad, who is no more. He asked me why I wanted to leave. I said I didn't have a reason except that it couldn't get better than this in the army for me.

What was the best advice you ever received?
He told me to follow my heart. It is okay to get into unchartered territory and look foolish because that's where the learning starts.

How effective was it in resolving your problem?
After serving in the Indian Army for 12 years, I quit and enrolled in ISB for a management programme. After my MBA, I entered the corporate world, which is where I have made my career for around 19 years now. I say this all the time: Go ahead and play for failure. Five-six years ago, I used to measure on my phone how many times I failed in a week. The more you fail, the more you learn, but it also gets you outside your comfort zone. We live our lives thinking this is what I'm good at — will I look foolish? Have I done this right? Life is simple. We complicate it so much. Sometimes, we mix up things and try and make ourselves more important than we actually are. So, follow your heart and play for failure — these are things I have adopted all through my career. BT

– VIDYA S

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AMANORA
PARK TOWN
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